

**Strategic Report, Report of the Directors and
Financial Statements for the Year Ended 31 January 2020
for
Kingsbridge Risk Solutions Limited**

Charles Hinit & Associates Limited
Chartered Certified Accountants &
Statutory Auditors
48 Belle Vue Terrace
Malvern
Worcestershire
WR14 4QG

**Contents of the Financial Statements
for the Year Ended 31 January 2020**

	Page
Company Information	1
Strategic Report	2
Report of the Directors	3
Report of the Independent Auditors	5
Statement of Comprehensive Income	7
Balance Sheet	8
Statement of Changes in Equity	9
Cash Flow Statement	10
Notes to the Cash Flow Statement	11
Notes to the Financial Statements	12

Kingsbridge Risk Solutions Limited

**Company Information
for the Year Ended 31 January 2020**

DIRECTORS:	A G M Stevens J D R Twining M J Ratcliffe J D Boast K Stephens M A Castellucci W McKernan G McKernan
REGISTERED OFFICE:	9 Miller Court Severn Drive Tewkesbury Business Park Tewkesbury Gloucestershire GL20 8DN
REGISTERED NUMBER:	04122238 (England and Wales)
SENIOR STATUTORY AUDITOR:	Charles Hinitt FCCA
AUDITORS:	Charles Hinitt & Associates Limited Chartered Certified Accountants & Statutory Auditors 48 Belle Vue Terrace Malvern Worcestershire WR14 4QG
BANKERS:	The Royal Bank of Scotland Plc PO Box 412 62/63 Threadneedle Street London EC2R 8LA
SOLICITORS:	DWF Solicitors 1 Scott Place 2 Hardman Street Manchester M3 3AA

**Strategic Report
for the Year Ended 31 January 2020**

The directors present their strategic report for the year ended 31 January 2020.

REVIEW OF BUSINESS

Kingsbridge Group Limited was incorporated on 12 January 2016. On 31st May 2016 Kingsbridge Group acquired the business of the Kingsbridge Group of companies which has been operating since 2001. The main trading company is Kingsbridge Risk Solutions Limited.

Kingsbridge is a leading independent corporate insurance broker providing specialist insurance solutions to contractors, freelancers and the Recruitment and Utilities industries.

During the year, Kingsbridge continued to invest in developing its people and systems and in broadening and improving its offering to ensure that its products meet its customers' needs and provide value for money, building on the acquisitions made in previous years and its innovative new IR35 offering. Kingsbridge's unique platform of brands, distribution channels and platforms positions it in an unrivalled position with which to tackle the fundamental long term trend from permanent to flexible employment, both in the UK and internationally.

The business has offices in Tewkesbury, Liverpool, Leicester and London and employs around 80 people.

KEY PERFORMANCE INDICATORS

Kingsbridge Risk Solutions Limited has continued a trend of strong organic growth and the KPIs of the business reflect this. Revenue has grown 12% to £16,381k during the year and the reported profit has increased to £7,602k.

PRINCIPLE RISKS AND UNCERTAINTIES

Competitive

The group operates in competitive markets where customers' insurance requirements are driven by the specific risks in their respective industries. The group has an ethos of high service delivery and ensures that its product offering is competitive and appropriate to the business sectors in which it operates.

Legislative & regulatory

Kingsbridge Risk Solutions is directly regulated by the FCA in respect of its insurance activities. There is a risk that a change in regulations or tax legislation could have a detrimental effect on the group. The group treats compliance as a high priority and keeps up to date with recent developments in legislation so as to proactively plan and to minimise their impact and identify any opportunities that might result from it.

Interest rate risk

An element of the group's borrowing is linked to LIBOR and so the group is exposed to fluctuations in interest rates. The company reviews this exposure at board level in conjunction with forecasted cash flows.

ON BEHALF OF THE BOARD:

J D R Twining - Director

6 October 2020

**Report of the Directors
for the Year Ended 31 January 2020**

The directors present their report with the financial statements of the company for the year ended 31 January 2020.

PRINCIPAL ACTIVITIES

The principal activities of the company in the year under review were those of insurance broking, risk consulting, risk financing and risk management advice.

DIVIDENDS

No dividends will be distributed for the year ended 31 January 2020.

EVENTS SINCE THE END OF THE YEAR

Information relating to events since the end of the year is given in the notes to the financial statements.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 February 2019 to the date of this report.

A G M Stevens
J D R Twining
M J Ratcliffe

Other changes in directors holding office are as follows:

S J Wynne - resigned 27 November 2019
D J Zanker - resigned 10 October 2019

Ms J D Boast, Ms K Stephens, M A Castellucci, W McKernan, G McKernan and L Green were appointed as directors after 31 January 2020 but prior to the date of this report.

T A Wynne ceased to be a director after 31 January 2020 but prior to the date of this report.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Strategic Report, the Report of the Directors 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), 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;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and 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.

**Report of the Directors
for the Year Ended 31 January 2020**

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

ON BEHALF OF THE BOARD:

J D R Twining - Director

6 October 2020

Report of the Independent Auditors to the Members of Kingsbridge Risk Solutions Limited

Opinion

We have audited the financial statements of Kingsbridge Risk Solutions Limited (the 'company') for the year ended 31 January 2020 which comprise the Statement of Comprehensive Income, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement and Notes to the Cash Flow Statement, Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 January 2020 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the 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 in the Strategic Report and the Report of the Directors, but does not include the financial statements and our Report of the Auditors 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 the audit:

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

Report of the Independent Auditors to the Members of Kingsbridge Risk Solutions 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 or the Report of the Directors.

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 Statement of Directors' Responsibilities set out on page three, 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 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.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Auditors 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 www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

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 a Report of the Auditors 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.

Charles Hinitt FCCA (Senior Statutory Auditor)
for and on behalf of Charles Hinitt & Associates Limited
Chartered Certified Accountants &
Statutory Auditors
48 Belle Vue Terrace
Malvern
Worcestershire
WR14 4QG

9 October 2020

**Statement of Comprehensive Income
for the Year Ended 31 January 2020**

	Notes	31.1.20 £	31.1.19 £
TURNOVER	3	16,381,410	14,588,311
Cost of sales		<u>1,526,293</u>	<u>1,519,480</u>
GROSS PROFIT		14,855,117	13,068,831
Administrative expenses		<u>7,482,383</u>	<u>6,767,716</u>
		7,372,734	6,301,115
Other operating income		<u>219,818</u>	<u>28,500</u>
OPERATING PROFIT	5	7,592,552	6,329,615
Interest receivable and similar income		<u>12,510</u>	<u>1,131</u>
		7,605,062	6,330,746
Interest payable and similar expenses	7	<u>2,383</u>	<u>3,218</u>
PROFIT BEFORE TAXATION		7,602,679	6,327,528
Tax on profit	8	<u>632,118</u>	<u>650,958</u>
PROFIT FOR THE FINANCIAL YEAR		6,970,561	5,676,570
OTHER COMPREHENSIVE INCOME		<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>6,970,561</u>	<u>5,676,570</u>

Kingsbridge Risk Solutions Limited (Registered number: 04122238)

**Balance Sheet
31 January 2020**

	Notes	31.1.20 £	£	31.1.19 £	£
FIXED ASSETS					
Intangible assets	10		67,681		217,685
Tangible assets	11		216,417		249,049
Investments	12		<u>110,001</u>		<u>110,001</u>
			394,099		576,735
CURRENT ASSETS					
Debtors	13	22,253,302		11,367,942	
Cash at bank and in hand	14	<u>7,471,911</u>		<u>11,204,918</u>	
		29,725,213		22,572,860	
CREDITORS					
Amounts falling due within one year	15	<u>5,727,166</u>		<u>5,713,341</u>	
NET CURRENT ASSETS			<u>23,998,047</u>		<u>16,859,519</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			24,392,146		17,436,254
CREDITORS					
Amounts falling due after more than one year	16		-		(7,750)
PROVISIONS FOR LIABILITIES	20		<u>(26,361)</u>		<u>(33,280)</u>
NET ASSETS			<u>24,365,785</u>		<u>17,395,224</u>
CAPITAL AND RESERVES					
Called up share capital	21		15,002		15,002
Retained earnings	22		<u>24,350,783</u>		<u>17,380,222</u>
SHAREHOLDERS' FUNDS			<u>24,365,785</u>		<u>17,395,224</u>

The financial statements were approved by the Board of Directors and authorised for issue on 6 October 2020 and were signed on its behalf by:

J D R Twining - Director

A G M Stevens - Director

**Statement of Changes in Equity
for the Year Ended 31 January 2020**

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 February 2018	15,002	11,803,652	11,818,654
Changes in equity			
Dividends	-	(100,000)	(100,000)
Total comprehensive income	-	5,676,570	5,676,570
Balance at 31 January 2019	<u>15,002</u>	<u>17,380,222</u>	<u>17,395,224</u>
Changes in equity			
Total comprehensive income	-	6,970,561	6,970,561
Balance at 31 January 2020	<u>15,002</u>	<u>24,350,783</u>	<u>24,365,785</u>

**Cash Flow Statement
for the Year Ended 31 January 2020**

	Notes	31.1.20 £	31.1.19 £
Cash flows from operating activities			
Cash generated from operations	1	(2,904,893)	3,100,581
Interest element of hire purchase payments paid		(2,383)	(3,218)
Tax paid		(822,998)	(503,006)
Net cash from operating activities		<u>(3,730,274)</u>	<u>2,594,357</u>
Cash flows from investing activities			
Purchase of intangible fixed assets		(124,213)	(59,062)
Purchase of tangible fixed assets		(84,407)	(89,475)
Sale of intangible fixed assets		273,539	-
Sale of tangible fixed assets		2,200	16,000
Interest received		12,510	1,131
Net cash from investing activities		<u>79,629</u>	<u>(131,406)</u>
Cash flows from financing activities			
Capital repayments in year		(28,795)	(38,257)
Amount introduced by directors		8,000	-
Amount withdrawn by directors		-	(8,000)
Equity dividends paid		-	(100,000)
Net cash from financing activities		<u>(20,795)</u>	<u>(146,257)</u>
(Decrease)/increase in cash and cash equivalents		<u>(3,671,440)</u>	<u>2,316,694</u>
Cash and cash equivalents at beginning of year	2	11,142,139	8,825,445
Cash and cash equivalents at end of year	2	<u>7,470,699</u>	<u>11,142,139</u>

The notes on pages 12 to 23 form part of these financial statements

Notes to the Cash Flow Statement
for the Year Ended 31 January 2020

1. **RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS**

	31.1.20 £	31.1.19 £
Profit before taxation	7,602,679	6,327,528
Depreciation charges	117,718	104,472
Profit on disposal of fixed assets	(2,200)	(16,000)
Finance costs	2,383	3,218
Finance income	(12,510)	(1,131)
	<u>7,708,070</u>	<u>6,418,087</u>
Increase in trade and other debtors	(10,893,361)	(4,092,282)
Increase in trade and other creditors	280,398	774,776
Cash generated from operations	<u>(2,904,893)</u>	<u>3,100,581</u>

2. **CASH AND CASH EQUIVALENTS**

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

Year ended 31 January 2020

	31.1.20 £	1.2.19 £
Cash and cash equivalents	7,471,911	11,204,918
Bank overdrafts	(1,212)	(62,779)
	<u>7,470,699</u>	<u>11,142,139</u>

Year ended 31 January 2019

	31.1.19 £	1.2.18 £
Cash and cash equivalents	11,204,918	8,825,445
Bank overdrafts	(62,779)	-
	<u>11,142,139</u>	<u>8,825,445</u>

3. **ANALYSIS OF CHANGES IN NET FUNDS**

	At 1.2.19 £	Cash flow £	At 31.1.20 £
Net cash			
Cash at bank and in hand	11,204,918	(3,733,007)	7,471,911
Bank overdrafts	(62,779)	61,567	(1,212)
	<u>11,142,139</u>	<u>(3,671,440)</u>	<u>7,470,699</u>
Debt			
Finance leases	(36,545)	28,795	(7,750)
	<u>(36,545)</u>	<u>28,795</u>	<u>(7,750)</u>
Total	<u>11,105,594</u>	<u>(3,642,645)</u>	<u>7,462,949</u>

**Notes to the Financial Statements
for the Year Ended 31 January 2020**

1. STATUTORY INFORMATION

Kingsbridge Risk Solutions Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

The presentation currency of the financial statements is the Pound Sterling (£).

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Preparation of consolidated financial statements

The financial statements contain information about Kingsbridge Risk Solutions Limited as an individual company and do not contain consolidated financial information as the parent of a group. The company is exempt under Section 400 of the Companies Act 2006 from the requirements to prepare consolidated financial statements as it and its subsidiary undertakings are included by full consolidation in the consolidated financial statements of its ultimate holding company Kingsbridge Group Limited, 9 Miller Court, Severn Drive, Tewkesbury Business Park, Tewkesbury GL20 8DN.

Turnover

Turnover represents net invoiced sales of services and is shown gross of introducer commission. The services of the company are not subject to VAT.

Goodwill

Goodwill representing the excess of the purchase price over the fair value of the net assets of businesses acquired has been amortised by equal annual instalments over its expected useful economic life of ten years.

Intangible fixed assets

Amortisation is provided at the following rates in order to write off each asset over its estimated useful life :

Domain Names - 10% on cost

Development costs - 50% on cost

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Fixtures and fittings - 20% on cost

Motor vehicles - 25% on cost

Computer equipment - 33% on cost

Financial instruments

Basic financial instruments are recognised at amortised cost.

Non-basic financial instruments are initially recorded at cost and thereafter at fair value with changes recognised in the profit and loss.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

**Notes to the Financial Statements - continued
for the Year Ended 31 January 2020**

2. ACCOUNTING POLICIES - continued

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to profit or loss over the relevant period. The capital element of the future payments is treated as a liability.

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

Income recognition

The company recognises profit sharing arrangements with underwriters of insurance policies to the extent that it can reasonably estimate those which will be due after more than one year.

Full provision of the taxation due on this income is included within these accounts.

Client monies held in non-statutory trust bank accounts

As required by the FCA, the company hold funds on behalf of its clients within non-statutory trust client bank accounts. These monies do not belong to the company. However, as the client and underwriter debtor and creditor balances are included as assets and liabilities, the company considers it necessary to include on its balance sheet cash balances held within the non-statutory client bank accounts.

Notes to the Financial Statements - continued
for the Year Ended 31 January 2020

2. ACCOUNTING POLICIES - continued

Going concern

The Directors are required to prepare the statutory financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business. In satisfaction of this responsibility the Directors have also considered the Company's ability to meet its liabilities as they fall due.

The Directors have also paid special attention to the recent COVID-19 outbreak and the potential associated impact on the Company.

The Directors have therefore reviewed the current and future financial position of the Company, its cash flows, and its liquidity position, specifically in respect of the above and the potential disruption to the business arising from a prolonged period of economic downturn, and any impact that this may have on the future of the Insurance industry both on the markets specifically targeted by the company and the industry as a whole.

Although it is not possible to reliably forecast the length or severity of the COVID-19 outbreak, at the date of approval of the financial statements, the Directors were confident that the existing reserves and support from external facilities will provide sufficient headroom to meet the forecast cash requirements that may arise from a downturn in activity as a result of the COVID-19 pandemic.

As such, the Directors consider that it is appropriate to prepare the financial statements on the going concern basis.

3. TURNOVER

The turnover and profit before taxation are attributable to the principal activities of the company.

An analysis of turnover by class of business is given below:

	31.1.20	31.1.19
	£	£
Commissions	16,381,410	14,588,311
	<u>16,381,410</u>	<u>14,588,311</u>

4. EMPLOYEES AND DIRECTORS

	31.1.20	31.1.19
	£	£
Wages and salaries	3,608,060	3,478,052
Social security costs	341,730	327,460
Other pension costs	202,043	198,190
	<u>4,151,833</u>	<u>4,003,702</u>

The average number of employees during the year was as follows:

	31.1.20	31.1.19
Sales	33	35
Administration	<u>52</u>	<u>44</u>
	<u>85</u>	<u>79</u>

	31.1.20	31.1.19
	£	£
Directors' remuneration	<u>655,800</u>	<u>507,288</u>

Notes to the Financial Statements - continued
for the Year Ended 31 January 2020

4. **EMPLOYEES AND DIRECTORS - continued**

Information regarding the highest paid director is as follows:

	31.1.20	31.1.19
	£	£
Emoluments etc	<u>196,400</u>	<u>199,473</u>

5. **OPERATING PROFIT**

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

	31.1.20	31.1.19
	£	£
Other operating leases	157,164	146,253
Depreciation - owned assets	90,443	73,754
Depreciation - assets on hire purchase contracts	26,596	30,040
Profit on disposal of fixed assets	(2,200)	(16,000)
Goodwill amortisation	678	677
Auditors' remuneration	<u>108,990</u>	<u>93,264</u>

6. **EXCEPTIONAL ITEMS**

	31.1.20	31.1.19
	£	£
Development costs write off	<u>(273,642)</u>	<u>-</u>

7. **INTEREST PAYABLE AND SIMILAR EXPENSES**

	31.1.20	31.1.19
	£	£
Hire purchase	<u>2,383</u>	<u>3,218</u>

8. **TAXATION**

Analysis of the tax charge

The tax charge on the profit for the year was as follows:

	31.1.20	31.1.19
	£	£
Current tax:		
UK corporation tax	639,037	617,678
Deferred tax	(6,919)	33,280
Tax on profit	<u>632,118</u>	<u>650,958</u>

UK corporation tax has been charged at 19% (2019 - 19%).

As part of the Kingsbridge Group Limited Group, the company's tax charge is being significantly reduced by the surrender of losses from other group companies.

9. **DIVIDENDS**

	31.1.20	31.1.19
	£	£
Interim	<u>-</u>	<u>100,000</u>

Notes to the Financial Statements - continued
for the Year Ended 31 January 2020

10. INTANGIBLE FIXED ASSETS

	Goodwill £	Development costs £	Totals £
COST			
At 1 February 2019	186,777	352,843	539,620
Additions	-	124,213	124,213
Disposals	-	(273,539)	(273,539)
At 31 January 2020	<u>186,777</u>	<u>203,517</u>	<u>390,294</u>
AMORTISATION			
At 1 February 2019	182,348	139,587	321,935
Amortisation for year	678	-	678
At 31 January 2020	<u>183,026</u>	<u>139,587</u>	<u>322,613</u>
NET BOOK VALUE			
At 31 January 2020	<u>3,751</u>	<u>63,930</u>	<u>67,681</u>
At 31 January 2019	<u>4,429</u>	<u>213,256</u>	<u>217,685</u>

11. TANGIBLE FIXED ASSETS

	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
COST				
At 1 February 2019	156,059	178,505	280,141	614,705
Additions	36,121	-	48,286	84,407
Disposals	-	(17,000)	-	(17,000)
At 31 January 2020	<u>192,180</u>	<u>161,505</u>	<u>328,427</u>	<u>682,112</u>
DEPRECIATION				
At 1 February 2019	69,292	64,532	231,832	365,656
Charge for year	30,148	40,731	46,160	117,039
Eliminated on disposal	-	(17,000)	-	(17,000)
At 31 January 2020	<u>99,440</u>	<u>88,263</u>	<u>277,992</u>	<u>465,695</u>
NET BOOK VALUE				
At 31 January 2020	<u>92,740</u>	<u>73,242</u>	<u>50,435</u>	<u>216,417</u>
At 31 January 2019	<u>86,767</u>	<u>113,973</u>	<u>48,309</u>	<u>249,049</u>

Notes to the Financial Statements - continued
for the Year Ended 31 January 2020

11. **TANGIBLE FIXED ASSETS - continued**

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	Motor vehicles £
COST	
At 1 February 2019 and 31 January 2020	<u>106,385</u>
DEPRECIATION	
At 1 February 2019	40,959
Charge for year	<u>26,596</u>
At 31 January 2020	<u>67,555</u>
NET BOOK VALUE	
At 31 January 2020	<u>38,830</u>
At 31 January 2019	<u>65,426</u>

12. **FIXED ASSET INVESTMENTS**

	Unlisted investments £
COST	
At 1 February 2019 and 31 January 2020	<u>110,001</u>
NET BOOK VALUE	
At 31 January 2020	<u>110,001</u>
At 31 January 2019	<u>110,001</u>

The company's investments at the Balance Sheet date in the share capital of companies include the following:

Kingsbridge Professional Solutions Limited

Registered office: 9 Miller Court Severn Drive Tewkesbury Business Park Tewkesbury GL20 8DN

Nature of business: Insurance brokerage services

	% holding	31.1.20 £	31.1.19 £
Class of shares:			
Ordinary	100.00		
Aggregate capital and reserves		<u>1</u>	<u>1</u>

**Notes to the Financial Statements - continued
for the Year Ended 31 January 2020**

12. FIXED ASSET INVESTMENTS - continued

Kingsbridge Risk Managers Limited

Registered office: Level 5 Mill Court La Charroterie St Peter Port Guernsey GY1 1EJ

Nature of business: Risk consulting and management services

	%		
Class of shares:	holding		
Ordinary	100.00	31.1.20	31.1.19
		£	£
Aggregate capital and reserves		127,812	148,059
(Loss)/profit for the year		<u>(10,247)</u>	<u>24,679</u>

Although there is no requirement to file public accounts in Guernsey the above figures are taken from the audited financial statements prepared for the Company.

Kingsbridge Insurance PCC Limited

Registered office: Level 5 Mill Court La Charroterie St Peter Port Guernsey GY1 1EJ

Nature of business: Risk consulting and management services

	%		
Class of shares:	holding		
Ordinary	100.00	31.1.20	31.1.19
		£	£
Aggregate capital and reserves		(1,628)	(14)
Loss for the year		<u>(1,614)</u>	<u>(18,621)</u>

Although there is no requirement to file public accounts in Guernsey the above figures are taken from the audited financial statements prepared for the Company. Kingsbridge Insurance PCC Limited currently has 6 cells operating as well as the core cell. The figures disclosed relate only to the core cell.

13. DEBTORS

	31.1.20	31.1.19
	£	£
Amounts falling due within one year:		
Insurance debtors	2,055,242	1,715,131
Amounts owed by group undertakings	18,008,598	7,677,625
Other debtors	1,953,668	1,655,095
Directors' loan accounts	16,000	24,000
S455 tax recoverable	7,800	7,800
Prepayments	169,494	245,791
	<u>22,210,802</u>	<u>11,325,442</u>
Amounts falling due after more than one year:		
Other debtors	<u>42,500</u>	<u>42,500</u>
Aggregate amounts	<u>22,253,302</u>	<u>11,367,942</u>

Notes to the Financial Statements - continued
for the Year Ended 31 January 2020

14. CASH AT BANK AND IN HAND

The company is regulated by the Financial Conduct Authority (FCA). As required by the FCA, client monies are held in non-statutory trust client bank accounts. The use and governance of the balances held within these accounts is determined by the Client Assets Sourcebook (CASS rules). The bank and cash in hand as at 31 January 2020 includes £4,111,082 (2019 : £3,984,075) of client monies held in non-statutory trust client bank accounts. At the year end the Company's insurance broking assets and liabilities were as follows :

	31/1/20	31/1/19
	£	£
Cash at bank and in hand	4,111,082	3,984,075
Insurance debtors	2,055,242	1,715,131
Insurance creditors	(4,841,115)	(4,479,332)
	<u>1,325,209</u>	<u>1,219,874</u>
Excess of insurance broking assets over liabilities		

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.1.20	31.1.19
	£	£
Bank loans and overdrafts (see note 17)	1,212	62,779
Hire purchase contracts (see note 18)	7,750	28,795
Trade creditors	4,919,001	4,694,243
Amounts owed to group undertakings	16,000	16,000
Tax	78,755	260,116
S455 tax payable	-	2,600
Social security and other taxes	118,984	114,300
Other creditors	9,069	28,563
Accrued expenses	576,395	505,945
	<u>5,727,166</u>	<u>5,713,341</u>

Obligations under finance leases and hire purchase agreements are secured on the assets to which they relate.

16. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	31.1.20	31.1.19
	£	£
Hire purchase contracts (see note 18)	<u>-</u>	<u>7,750</u>

17. LOANS

An analysis of the maturity of loans is given below:

	31.1.20	31.1.19
	£	£
Amounts falling due within one year or on demand:		
Bank overdrafts	<u>1,212</u>	<u>62,779</u>

Notes to the Financial Statements - continued
for the Year Ended 31 January 2020

18. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

	Hire purchase contracts	
	31.1.20	31.1.19
	£	£
Net obligations repayable:		
Within one year	7,750	28,795
Between one and five years	-	7,750
	<u>7,750</u>	<u>36,545</u>
	Non-cancellable operating leases	
	31.1.20	31.1.19
	£	£
Within one year	67,337	69,123
Between one and five years	-	6,444
	<u>67,337</u>	<u>75,567</u>

19. SECURED DEBTS

DCG Nominees Limited as Security Trustee for Dunedin LLP holds a fixed and floating charge over the assets of KRS in respect of 'A' Loan notes originally issued in Batson Bidco Limited and 'B' Loan notes issued in Batson Midco Limited. The debenture was satisfied on 9 April 2020.

Royal Bank of Scotland held further fixed and floating charges over the assets of the company together with certain intellectual property and trademarks owned by the Kingsbridge Group. These debentures were satisfied on 16 April 2020.

20. PROVISIONS FOR LIABILITIES

	31.1.20	31.1.19
	£	£
Deferred tax	<u>26,361</u>	<u>33,280</u>
		Deferred tax
		£
Balance at 1 February 2019		33,280
Provided during year		(6,919)
Accelerated capital allowances		
Balance at 31 January 2020		<u>26,361</u>

21. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:			31.1.20	31.1.19
Number:	Class:	Nominal value:	£	£
15,002	Ordinary	£1	<u>15,002</u>	<u>15,002</u>

**Notes to the Financial Statements - continued
for the Year Ended 31 January 2020**

22. RESERVES

	Retained earnings £
At 1 February 2019	17,380,222
Profit for the year	<u>6,970,561</u>
At 31 January 2020	<u>24,350,783</u>

**Notes to the Financial Statements - continued
for the Year Ended 31 January 2020**

23. RELATED PARTY DISCLOSURES

Intercompany - Kingsbridge Insurance PCC Limited

The 100% shareholding in this company was made in August 2011.

At the balance sheet date Kingsbridge Risk Solutions Limited (KRS) is owed £42,500 by Kingsbridge Insurance PCC Limited which is included in Other Debtors under the heading "Debtors due after more than one year". (2019 : £42,500).

The loan carries no liability to interest and is considered to be stated at fair value.

Intercompany - Soar Newco Limited

The immediate parent company owning 100% of KRS.

At the balance sheet date KRS is owed £3,452,617 by Soar Newco Limited which is included in Other Debtors under the heading "Debtors: Amounts due within one year". (2019 : £2,634,023).

The loan carries no liability to interest and is repayable upon demand.

Intercompany - Batson Bidco Limited

The parent company of Soar Newco Limited owning 100% of that company.

At the balance sheet date KRS is owed £12,439,901 by Batson Bidco Limited which is included in Other Debtors under the heading "Debtors: Amounts due within one year". (2019 : £4,170,087).

The loan carries no liability to interest and is repayable upon demand.

Intercompany - Kingsbridge Group Limited

The parent company of Batson Midco Limited owning 100% of that company.

At the balance sheet date KRS owed £16,000 to Kingsbridge Group Limited which is included in Other Creditors under the heading "Creditors: Amounts due within one year". (2019 : £16,000).

The loan carries no liability to interest and is repayable upon demand.

Intercompany - KRS Lion Bidco Limited

A Company linked by common control.

At the balance sheet date KRS is owed £1,404,866 by KRS Lion Bidco Limited which is included in Other Debtors under the heading "Debtors: Amounts due within one year". (2019 : £810,514).

The loan carries no liability to interest and is repayable upon demand.

Intercompany - Dinghy Limited

A Company linked by common control.

At the balance sheet date KRS is owed £31,620 by Dinghy Limited which is included in Other Debtors under the heading "Debtors: Amounts due within one year". (2019 : £30,000).

The loan carries no liability to interest and is repayable upon demand.

**Notes to the Financial Statements - continued
for the Year Ended 31 January 2020**

Intercompany - Dinghy Tech Limited

A Company linked by common control.

At the balance sheet date KRS is owed £305,950 by Dinghy Tech Limited which is included in Other Debtors under the heading "Debtors: Amounts due within one year". (2019 : £16,000).

The loan carries no liability to interest and is repayable upon demand.

Intercompany - Dinghy UK Limited

A Company linked by common control.

At the balance sheet date KRS is owed £373,644 by Dinghy UK Limited which is included in Other Debtors under the heading "Debtors: Amounts due within one year". (2019 : £17,000).

The loan carries no liability to interest and is repayable upon demand.

Transactions with directors

At the balance sheet date there is a balance due to KRS of £16,000 from the Director's loan account of JDR Twining. This is included in Other Debtors and disclosed under the heading "Debtors: Amounts due within one year". (2019 : £24,000).

24. POST BALANCE SHEET EVENTS

Following the global outbreak of the COVID-19 virus subsequent to the year end, the Company is potentially exposed to the following risks:

There being an overall downturn in World Markets that will adversely affect the Insurance market as a whole and the Self Employed Contractor industry.

Although it is not possible to reliably estimate the length or ultimate severity of this outbreak, at the time of signing, the Directors consider that the Company has sufficient funding to meet the forecast cash requirements of the business specifically in relation to a downturn in activity as a consequence of the COVID-19 pandemic.

25. ULTIMATE CONTROLLING PARTY

The controlling party is Soar Newco Limited.

The ultimate controlling party is Kingsbridge Group Limited.

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.