

UKGlobal Broking Group Limited
Strategic Report, Report of the Directors and
Financial Statements
for the Year Ended 31 March 2021

SMH Jolliffe Cork Audit Ltd
Chartered Accountants & Statutory Auditor
33 George Street
Wakefield
West Yorkshire
WF1 1LX

**Contents of the Financial Statements
for the year ended 31 March 2021**

	Page
Company Information	1
Strategic Report	2
Report of the Directors	3
Report of the Independent Auditors	5
Income Statement	9
Other Comprehensive Income	10
Balance Sheet	11
Statement of Changes in Equity	12
Notes to the Financial Statements	13

UKGlobal Broking Group Limited

Company Information for the year ended 31 March 2021

DIRECTORS:

Mr J S Proctor
Mr M D Bray
Mr N T Hamblin

SECRETARY:

Mrs C A Thornton

REGISTERED OFFICE:

The Boardwalk
21 Little Peter Street
Manchester
M15 4PS

REGISTERED NUMBER:

08004753 (England and Wales)

AUDITORS:

SMH Jolliffe Cork Audit Ltd
Chartered Accountants & Statutory Auditor
33 George Street
Wakefield
West Yorkshire
WF1 1LX

**Strategic Report
for the year ended 31 March 2021**

The directors present their strategic report for the year ended 31 March 2021.

FAIR REVIEW OF THE BUSINESS

UKGlobal Broking Group Limited is a wholly owned subsidiary of UKGlobal Holdings Limited and was directly authorised by the FCA on 20 January 2020.

On 1 September 2020 UKGlobal Broking Group Limited took over regulatory responsibility for the UKGlobal Group from UKGlobal Risk Solutions Limited and all active UKGlobal Group companies are now Appointed Representatives of UKGlobal Broking Group Limited. On that date the company also acquired all the subsidiary shareholdings of UKGlobal Holdings Limited in a share for share exchange. The purpose of the restructure was to streamline regulatory and corporate structure and responsibility.

The Company processes all insurance transactions for the Group, invoicing client premiums and fees, receiving payment for invoiced transactions, paying premiums to insurers and distributing income earned to the relevant Group company. Consequently it has no turnover or costs other than dividends receivable and payable.

PRINCIPAL RISKS AND UNCERTAINTIES

The Board review the Group risk register on a regular basis and are satisfied that the major risks identified have been adequately mitigated.

Legal and regulatory risks

The company is regulated by the Financial Conduct Authority and any breach or non compliance with laws and regulations could result in financial loss or penalties. The directors are satisfied that the company has an adequate compliance regime and sufficient insurance to manage these risks.

Financial risks

Certain financial instruments such as trade debtors, trade creditors, accruals and prepayments arise directly from the company's operations.

Interest rate risk

Client money is placed in interest bearing current accounts with a main clearing bank. The company is not financially dependant on these resources and therefore the risk of interest rate fluctuations is not significant to the business.

Credit Risk

The company monitors its credit risk arising from trade debtors closely and the directors are satisfied that this monitoring process manages the exposure to credit risk.

KEY PERFORMANCE INDICATORS

As the company has no income or costs there are no key performance indicators as these are measured in the individual subsidiaries or at group level in the consolidated accounts of UKGlobal Holdings Limited.

ON BEHALF OF THE BOARD:

Mr J S Proctor - Director

8 October 2021

**Report of the Directors
for the year ended 31 March 2021**

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

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of a holding company and the provision of insurance broking services. The company is a member of the UKGlobal Holdings Limited Group and is authorised and regulated by the Financial Conduct Authority.

DIVIDENDS

The total distribution of dividends for the year ended 31 March 2021 will be £ 171,875 .

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 April 2020 to the date of this report.

Mr J S Proctor
Mr M D Bray
Mr N T Hamblin

Other changes in directors holding office are as follows:

Mr P D Truman - appointed 1 August 2020 - resigned 31 March 2021

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.

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 ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

**Report of the Directors
for the year ended 31 March 2021**

AUDITORS

The auditors, SMH Jolliffe Cork Audit Ltd, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:

Mr J S Proctor - Director

8 October 2021

Report of the Independent Auditors to the Members of UKGlobal Broking Group Limited

Opinion

We have audited the financial statements of UKGlobal Broking Group Limited (the 'company') for the year ended 31 March 2021 which comprise the Income Statement, Other Comprehensive Income, Balance Sheet, Statement of Changes in Equity and 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 March 2021 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

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 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 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 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 UKGlobal Broking Group 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.

Report of the Independent Auditors to the Members of UKGlobal Broking Group Limited

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

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

Our approach to identifying and assessing the risks of material misstatements in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with the Directors and other informed management which we considered may have a direct material effect on the financial statements or the operations of the company and thereafter, the audit team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud and;
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- enquiring of management as to actual and potential litigation and claims and reviewing correspondence with HMRC and the company's legal advisors.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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.

Report of the Independent Auditors to the Members of UKGlobal Broking Group 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 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.

Claire Lawton FCA DChA (Senior Statutory Auditor)
for and on behalf of SMH Jolliffe Cork Audit Ltd
Chartered Accountants & Statutory Auditor
33 George Street
Wakefield
West Yorkshire
WF1 1LX

11 October 2021

**Income Statement
for the year ended 31 March 2021**

		2021	2020
	Notes	£	£
TURNOVER		<u>-</u>	<u>-</u>
OPERATING PROFIT		<u>-</u>	<u>-</u>
Income from shares in group undertakings		<u>171,875</u>	<u>-</u>
PROFIT BEFORE TAXATION		<u>171,875</u>	<u>-</u>
Tax on profit	4	<u>-</u>	<u>-</u>
PROFIT FOR THE FINANCIAL YEAR		<u><u>171,875</u></u>	<u><u>-</u></u>

**Other Comprehensive Income
for the year ended 31 March 2021**

	Notes	2021 £	2020 £
PROFIT FOR THE YEAR		171,875	-
OTHER COMPREHENSIVE INCOME		<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>171,875</u>	<u>-</u>

UKGlobal Broking Group Limited (Registered number: 08004753)**Balance Sheet
31 March 2021**

		2021		2020	
	Notes	£	£	£	£
FIXED ASSETS					
Investments	6		2,307,343		-
CURRENT ASSETS					
Debtors	7	6,601,855		500,000	
Cash at bank		3,973,491		-	
		10,575,346		500,000	
CREDITORS					
Amounts falling due within one year	8	10,075,482		-	
NET CURRENT ASSETS			499,864		500,000
TOTAL ASSETS LESS CURRENT LIABILITIES			2,807,207		500,000
CAPITAL AND RESERVES					
Called up share capital	9		501,207		500,000
Share premium	10		2,306,000		-
SHAREHOLDERS' FUNDS			2,807,207		500,000

The financial statements were approved by the Board of Directors and authorised for issue on 8 October 2021 and were signed on its behalf by:

Mr J S Proctor - Director

The notes form part of these financial statements

**Statement of Changes in Equity
for the year ended 31 March 2021**

	Called up share capital £	Retained earnings £	Share premium £	Total equity £
Balance at 1 April 2019	100	-	-	100
Changes in equity				
Issue of share capital	499,900	-	-	499,900
Balance at 31 March 2020	<u>500,000</u>	<u>-</u>	<u>-</u>	<u>500,000</u>
Changes in equity				
Issue of share capital	1,207	-	2,306,000	2,307,207
Dividends	-	(171,875)	-	(171,875)
Total comprehensive income	-	171,875	-	171,875
Balance at 31 March 2021	<u>501,207</u>	<u>-</u>	<u>2,306,000</u>	<u>2,807,207</u>

**Notes to the Financial Statements
for the year ended 31 March 2021**

1. STATUTORY INFORMATION

UKGlobal Broking Group 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 functional and presentation currency for the company is the pound sterling (£). All financial information presented has been rounded to the nearest (£), unless otherwise stated.

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.

Financial Reporting Standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemption in preparing these financial statements, as permitted by FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows.

Preparation of consolidated financial statements

The financial statements contain information about UKGlobal Broking Group 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 parent, UKGlobal Holdings Limited, 1 City Road East, Manchester, Lancashire, M15 4PN.

Financial instruments

The company has chosen to adopt the Sections 11 and 12 of FRS 102 in respect of financial instruments.

Financial assets

Basic financial assets, including trade and other debtors and cash and bank balances are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

The company has no 'Other financial assets'.

Financial assets are derecognised when (a) the contractual rights to the cashflow from the asset expire or are settled or (b) substantially all the risks and rewards of ownership of the asset are transferred to another party or (c) control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

Financial liabilities

Basic financial liabilities, including trade and other creditors and hire purchase contracts, 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 receipts discounted at a market rate of interest.

The company has no 'Other financial liabilities'.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

Notes to the Financial Statements - continued
for the year ended 31 March 2021

2. ACCOUNTING POLICIES - continued

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, 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.

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.

3. EMPLOYEES AND DIRECTORS

There were no staff costs for the year ended 31 March 2021 nor for the year ended 31 March 2020.

The average number of employees during the year was NIL (2020 - NIL).

	2021	2020
	£	£
Directors' remuneration	<u>-</u>	<u>-</u>

4. TAXATION

Analysis of the tax charge

No liability to UK corporation tax arose for the year ended 31 March 2021 nor for the year ended 31 March 2020.

5. DIVIDENDS

	2021	2020
	£	£
Interim	<u>171,875</u>	<u>-</u>

Notes to the Financial Statements - continued
for the year ended 31 March 2021

6. FIXED ASSET INVESTMENTS

	Shares in group undertakings £
COST	
Additions	<u>2,307,343</u>
At 31 March 2021	<u>2,307,343</u>
NET BOOK VALUE	
At 31 March 2021	<u>2,307,343</u>

On 1 September 2020 this company acquired all the subsidiary shareholdings from UKGlobal Holdings Limited in a share for share exchange. The purpose of the restructure was to streamline regulatory and corporate structure and responsibility.

At 31 March 2021, the company held shareholdings in the following subsidiaries, all of which are incorporated in England and Wales, whose principal activities are those of the provision of insurance broking services and share a registered office with this company.

	Percentage of issued ordinary shares
UKGlobal Risk Solutions Limited	60.0%
UKGlobal Wakefield Limited	80.0%
UKGlobal Healthcare Solutions Limited	60.0%
UKGlobal Midlands Limited	59.1%
UKGlobal Bristol Limited	67.5%
UKGlobal London Limited	55.0%
UKGlobal Chester Limited	67.5%
UKGlobal Solihull Limited	62.5%
UKGlobal Leeds Limited	57.5%
UKGlobal Schemes & Affinities Limited	62.5%

7. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Trade debtors	6,601,855	-
Other debtors	-	500,000
	<u>6,601,855</u>	<u>500,000</u>

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Trade creditors	9,279,739	-
Amounts owed to group undertakings	656,392	-
Other creditors	139,351	-
	<u>10,075,482</u>	<u>-</u>

**Notes to the Financial Statements - continued
for the year ended 31 March 2021**

9. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value: £1	2021 £	2020 £
501,207	Ordinary		<u>501,207</u>	<u>500,000</u>

1,207 Ordinary shares of £1 were issued during the year for cash of £ 1,207 .

10. RESERVES

	Retained earnings £	Share premium £	Totals £
Profit for the year	171,875	-	171,875
Dividends	(171,875)	-	(171,875)
Cash share issue	-	2,306,000	2,306,000
At 31 March 2021	<u>-</u>	<u>2,306,000</u>	<u>2,306,000</u>

On 1 September 2020 the company acquired all the subsidiary shareholdings of UKGlobal Holdings Limited in a share for share exchange. The share premium was created as a result of this transaction and represents the directors assessment of the fair value of the shares acquired, in excess of their par value.

11. RELATED PARTY DISCLOSURES

The company's parent undertaking is UKGlobal Holdings Limited, a company registered in England and Wales. This company's registered office is the place of business of its parent undertaking. Group consolidated Financial Statements have been prepared by UKGlobal Holdings Limited.

During the year the company received dividends in the sum of £171,875 (2020: £nil) from UKGlobal Risk Solutions Limited, its subsidiary undertaking.

During the year the company paid dividends in the sum of £171,875 (2020: £nil) to UKGlobal Holdings Limited, its parent undertaking.

At the balance sheet date, the following amounts were due to group undertakings:

	2021	2020
£ £		
UKGlobal Holdings Limited	625,268	(500,000)
UKGlobal Risk Solutions Limited	31,124	-

12. POST BALANCE SHEET EVENTS

It was agreed at a meeting of the Board of Directors on 1 July 2021 that 500,000 ordinary shares at a par value of £1 be issued. These shares have been wholly allotted to UKGlobal Holdings Limited and it is the intention of the directors that the funds be used as working capital for this company. This issue is in addition to the called up share capital as detailed in note 9 to these financial statements.

**Notes to the Financial Statements - continued
for the year ended 31 March 2021**

13. ULTIMATE CONTROLLING PARTY

The directors are of the opinion that there is no individual ultimate controlling party.

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.