

Parent company account
for Butterworth Spangler
South West Limited
(company no. 03433998)

Augusta Topco Limited

Registered number: 12449928

Annual report and consolidated financial statements

For the year ended 31 March 2023

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AUGUSTA TOPCO LIMITED

COMPANY INFORMATION

Directors

M Charman
N J Houghton
D J Menton
T D Philip
J S Rastrick
T D Johnson

Registered number

12449928

Registered office

Elmwood House
Ghyll Royd
Leeds
West Yorkshire
LS20 9LT

Auditor

Mazars LLP
Chartered Accountants & Statutory Auditor
5th Floor
3 Wellington Place
Leeds
LS1 4AP

AUGUSTA TOPCO LIMITED

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AUGUSTA TOPCO LIMITED

GROUP STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2023

Introduction

The directors present their Strategic Report for the year ended 31 March 2023.

Business review

Augusta Topco Limited ("the Company") acts as a holding company for its subsidiary undertakings.

The Group's principal activity in the year was that of brokering insurance. This activity is carried out by the Company's subsidiary undertakings. The Group was established in November 2020 to take advantage of a fragmented marketplace for niche insurance segments that demonstrate attractive, sustainable growth characteristics. The Group is focused on acquiring businesses and teams which offer significant growth potential.

Acquisitions

On 12 April 2022 the Group acquired 75% of the issued share capital of Greenwood Insurance Consultants Limited.

On 25 May 2022 the Group acquired 90% of the issued share capital of George Stubbs Insurance Services Limited.

On 3 November 2022 the Group acquired 90% of the issued share capital of Premier Choice Insurance Services Limited.

On 7 December 2022 the Group acquired 80% of the issued share capital of BJP Insurance Brokers Limited.

On 3 January 2023 the Group acquired 100% of the issued share capital of Knightsure Insurance Brokers Limited.

On 7 April 2022 the Group acquired 100% of the issued share capital of Sphere Commercial Solutions Limited.

On 10 March 2023 the Group acquired 100% of the issued share capital of New Era Risk Limited.

As part of the transactions listed above, the Group also acquired several separately identifiable insurance books of business.

Group consolidation

On 1 November 2022 the trade and assets of Butterworth Spengler Professional Risks Ltd, Butterworth Spengler (Cyclesure) Limited and Butterworth Spengler South West Limited were transferred into Butterworth Spengler Commercial Limited.

On 10 March 2023 the trade and assets of New Era Risk Limited were transferred into New Era Insurance Services Limited.

On 7 April 2022, the trade and assets of Sphere Commercial Solutions Limited were transferred into J.M Glendinning (Insurance Brokers) Limited.

Future developments

The directors consider that the Group has a well-positioned platform for future growth through focus on providing excellent services to clients and via complimentary acquisitions.

AUGUSTA TOPCO LIMITED

GROUP STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2023

Principal risks and uncertainties

Economic environment

The Group is affected by economic conditions in the UK and the associated possibility of a decline in business and customer confidence. Throughout the year, the Group has needed to respond to the implications and uncertainties that have arisen as a result of increasing inflation rates and greater uncertainty in general economic contingencies and contingency plans have been implemented to mitigate the effect on operations and employees.

Retention of key personnel

The Group's services are performed by experienced employees with expertise across the industry. Failure to recruit, develop and retain suitably qualified employees could affect the ability to maintain and develop the business. This risk is mitigated through a number of different policies and initiatives which cover performance and reward equality, diversity and inclusion, anti-bullying, agile working and learning and development.

Regulatory risk

There is a risk of financial or reputational loss through non compliance with relevant regulations. The Group manages this through an established control framework based on operational policies and procedures, regular quality and compliance audits and training and development of staff.

Cashflow and liquidity

The Group is dependent on cash flows generated by its trading operations which are in turn reliant on the premiums brokered by its subsidiaries and commissions earned thereon. As a result, the Group is exposed to the cyclical nature of the insurance industry in terms of both size and performance of the market. This risk is managed by focusing on building a large, diversified portfolio of clients without excessive exposure to specific markets or geographic locations. Forecasting and cash flow are monitored regularly.

Errors and omissions

The Group could be subject to claims alleging professional negligence arising from non compliance with local regulations and failure to meet regulatory standards in connection with the placement of insurance. This risk is mitigated by ensuring specific training is given and by strong processes and controls. In addition, the Group maintains Professional Indemnity insurance cover for errors or omissions claims.

IT systems

Disruption to the IT infrastructure could result in a disruption to the Group's operations and financial results. In order to mitigate this risk, the Group continually assesses and updates its security protocols and associated IT and process controls and invests in the latest technology.

AUGUSTA TOPCO LIMITED

**GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2023**

Financial key performance indicators


The directors consider the following to be key performance indicators:

	2023	2022
Turnover (£)	35,467,010	18,629,729
Operating loss (£)	(3,312,152)	(1,487,049)
EBITDA (£)	7,603,354	3,914,732
Cash generated from operations (£)	10,850,490	3,263,473
Employee numbers	366	218

Other key performance indicators

The Group monitors client retention rates and feedback on service quality in order to provide information on current performance and help identify issues and opportunities as they arise.

This report was approved by the board and signed on its behalf.


Tim Philip (Sep 15, 2023 12:10 GMT+1)

T D Philip
Director

Date: Sep 15, 2023

AUGUSTA TOPCO LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2023

The directors present their report and the audited financial statements for the year ended 31 March 2023.

Directors' responsibilities statement

The directors are responsible for preparing the Group Strategic Report, the Directors' Report and the consolidated financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and the Group and of the profit or loss of the Group for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the Group and parent Company's financial statements and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and parent Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and the Group and to 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 the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Principal activity

The principal activity of the Group during the period was that of brokering insurance.

Results and dividends

The loss for the year, after taxation and minority interests, amounted to £16,222,069 (2022: £8,336,506 loss).

No dividends have been recommended for payment in relation to the year (2022: £nil).

Directors

The directors who served during the year were:

M Charman
N J Houghton
D J Menton
T D Philip
J S Rastrick
T D Johnson

Matters covered in the Strategic Report

Certain information not shown in the Directors' Report is shown in the Strategic Report instead in accordance with Section 414C(11) of the Companies Act 2006. This includes a business review, principal risks and uncertainties and future developments.

AUGUSTA TOPCO LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2023

Going concern

The directors have considered the Group and Company's future funding requirements taking into account the strength of the balance sheet, the forecast performance and the current economic climate.

The directors have a reasonable expectation that the Group and Company have adequate resources to continue in operational existence for the foreseeable future and have therefore concluded that the Group and Company's financial statements should be prepared on a going concern basis.

Qualifying third party indemnity provisions

The Group and Parent Company had Directors' and Officers' insurance in place during the year.

Future developments

The Group has continued to make acquisitions in line with the longer term business strategy.

Turnover and profitability of the Group since the year-end has been in line with expectations.

Post Balance Sheet Events

On 17 May 2023, the Group acquired 85% of the capital of Lighthouse Risk Services LLP.

On 19 May 2023, the Group acquired 100% of the issued share capital of Insure Business Services Limited.

On 21 June 2023, the Group acquired 100% of the issued share capital of GR Marshall and Co Limited.

On 23 June 2023, the Group acquired 100% of the issued share capital of Blackfriars Insurance Brokers Limited.

On 28 July 2023, the Group acquired the business and assets of Kompliant Limited.

On 11 September 2023, the Group acquired 100% of the issued share capital of Stufio Limited, including Calcluth & Sangster (Insurance Brokers) Limited.

Engagement with employees

The Group places considerable emphasis on the involvement of staff and aims to attract, motivate, develop and retain employees of the highest standard. Employees are encouraged to discuss with management any matters about which they are concerned. In addition, the directors take account of employees interests when making decisions and employees are informed of the Group's performance on a regular basis. Suggestions from employees aimed at improving the Group's performance are welcomed.

Disclosure of information to auditor

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

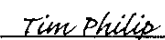
AUGUSTA TOPCO LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2023**

Auditor

The auditor, Mazars LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on: Sep 15, 2023 and signed on its behalf:


Tim Philip {Sep 15, 2023 12:10 GMT+1}

T D Philip

Director

AUGUSTA TOPCO LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AUGUSTA TOPCO LIMITED

Opinion

We have audited the consolidated financial statements of Augusta Topco Limited (the 'Parent Company') and its subsidiaries (the 'Group') for the year ended 31 March 2023 which comprise the consolidated Statement of Comprehensive Income, the Consolidated and Company Statements of Financial Position, the Consolidated and Company Statements of Changes in Equity, the Consolidated Statement of Cash Flows 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 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 Group's and of the Parent Company's affairs as at 31 March 2023 and of the Group's loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report. We are independent of the group and the parent 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 group's and the parent company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

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

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.

AUGUSTA TOPCO LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AUGUSTA TOPCO LIMITED

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

Matters on which we are required to report by exception

In 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 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.

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 group's and the parent 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 group or the parent company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

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.

Based on our understanding of the group and the parent company and their industry, we considered that non-compliance with the following laws and regulations might have a material effect on the financial statements: Financial Conduct Authority (FCA) regulations.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AUGUSTA TOPCO LIMITED

To help us identify instances of non-compliance with these laws and regulations, and in identifying and assessing the risks of material misstatement in respect to non-compliance, our procedures included, but were not limited to:

- Inquiring of management and, where appropriate, those charged with governance, as to whether the group and the parent company is in compliance with laws and regulations, and discussing their policies and procedures regarding compliance with laws and regulations;
- Inspecting correspondence, if any, with relevant licensing or regulatory authorities;
- Communicating identified laws and regulations to the engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the group and the parent company which were contrary to applicable laws and regulations, including fraud.

We also considered those laws and regulations that have a direct effect on the preparation of the financial statements, such as tax legislation, pension legislation and the Companies Act 2006.

In addition, we evaluated the directors' and management's incentives and opportunities for fraudulent manipulation of the financial statements, including the risk of management override of controls, and determined that the principal risks related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, in particular in relation to the profit share allocation, determining useful economic life of goodwill, accounting for deferred and contingent consideration on business combinations, revenue recognition (which we pinpointed to the cut off assertion) and significant one-off or unusual transactions.

Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries of the directors and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

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 auditor's report.

Use of audit 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.

Christopher Hudson

Christopher Hudson (Sep 15, 2023 16:28 GMT+1)

Christopher Hudson (Senior Statutory Auditor) for and on behalf of Mazars LLP

Chartered Accountants and Statutory Auditor

5th Floor

3 Wellington Place

Leeds

LS1 4AP

Date: Sep 15, 2023

AUGUSTA TOPCO LIMITED

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2023**

	Note	2023 £	2022 £
Turnover	4	35,467,010	18,629,729
Cost of sales		<u>(80,473)</u>	<u>(363,401)</u>
Gross profit		35,386,537	18,266,328
Administrative expenses		(38,698,864)	(19,759,005)
Other operating income	5	<u>175</u>	<u>5,628</u>
Operating loss	6	(3,312,152)	(1,487,049)
Fair value movements	7	(287,486)	-
Interest receivable and similar income	11	44,395	1,889
Interest payable and similar expenses	12	<u>(11,309,080)</u>	<u>(6,010,344)</u>
Loss before taxation		(14,864,323)	(7,495,504)
Tax on loss	13	<u>(601,111)</u>	<u>(420,165)</u>
Loss for the financial year		<u>(15,465,434)</u>	<u>(7,915,669)</u>
Profit/(loss) for the year attributable to:			
Non-controlling interests		756,635	420,837
Owners of the parent Company		<u>(16,222,069)</u>	<u>(8,336,506)</u>
		<u>(15,465,434)</u>	<u>(7,915,669)</u>

There are no recognised gains and losses for 2023 or 2022 other than those included in the Statement of Comprehensive Income.

There was no other comprehensive income for 2023 (2022: £nil).

The notes on pages 16 to 46 form part of these financial statements.

AUGUSTA TOPCO LIMITED

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2023

REGISTRATION NUMBER: 12449928

	Note	2023 £	2022 £
Fixed assets			
Intangible assets	14	108,483,679	54,108,010
Tangible assets	15	2,926,472	478,337
Investments	16	1,435	1,435
		<u>111,411,586</u>	<u>54,587,782</u>
Current assets			
Debtors: amounts due after one year	17	101,076	90,000
Debtors: amounts falling due within one year	17	8,862,873	4,310,143
Cash at bank and in hand	18	<u>26,661,771</u>	<u>9,321,703</u>
		35,625,720	13,721,846
Creditors: amounts falling due within one year	19	<u>(32,445,519)</u>	<u>(16,038,546)</u>
Net current assets/(liabilities)		<u>3,180,201</u>	<u>(2,316,700)</u>
Total assets less current liabilities		114,591,787	52,271,082
Creditors: amounts falling due after more than one year	19	(136,875,374)	(60,327,811)
Provisions for liabilities			
Deferred taxation	21	<u>(272,486)</u>	<u>(20,576)</u>
Net liabilities		<u>(22,556,073)</u>	<u>(8,077,305)</u>
Capital and reserves			
Called up share capital	22	98,080	96,080
Share premium account	23	882,720	864,720
Profit and loss account	23	<u>(26,385,197)</u>	<u>(10,163,128)</u>
Equity attributable to owners of the parent company		(25,404,397)	(9,202,328)
Non-controlling interests		<u>2,848,324</u>	<u>1,125,023</u>
		<u>(22,556,073)</u>	<u>(8,077,305)</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

Tim Philip
Tim Philip (Sep 15, 2023 12:10 GMT+1)

T D Philip
Director

Date: Sep 15, 2023

The notes on pages 16 to 46 form part of these financial statements.

AUGUSTA TOPCO LIMITED

**COMPANY STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2023
REGISTRATION NUMBER 12449928**

	Note	2023 £	2022 £
Fixed assets			
Investments	16	38,600,001	38,600,001
		38,600,001	38,600,001
Current assets			
Debtors: amounts falling due within one year	17	52,260	28,539
		52,260	28,539
Creditors: amounts falling due within one year	19	(150,053)	(129,980)
Net current liabilities		(97,793)	(101,441)
Total assets less current liabilities		38,502,208	38,498,560
Creditors: amounts falling due after more than one year	19	(47,421,121)	(42,341,328)
Net liabilities		(8,918,913)	(3,842,768)
Capital and reserves			
Called up share capital	22	98,080	96,080
Share premium account	23	882,720	864,720
Profit and loss account	23	(9,899,713)	(4,803,568)
		(8,918,913)	(3,842,768)

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Comprehensive Income in these financial statements. The loss after tax of the Parent Company for the year was £5,096,145 (2022: £4,131,203).

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

Tim Philip
Tim Philip (Sep 15, 2023 12:10 GMT+1)

T D Philip
Director

Date: Sep 15, 2023

The notes on pages 16 to 46 form part of these financial statements.

AUGUSTA TOPCO LIMITED

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
AS AT 31 MARCH 2023**

	Called up share capital £	Share premium account £	Profit and loss account £	Equity attributable to owners of parent company £	Non- controlling interests £	Total equity £
At 1 April 2021	96,080	864,720	(1,826,622)	(865,822)	91,738	(774,084)
Comprehensive income for the year						
Loss for the year	-	-	(8,336,506)	(8,336,506)	420,837	(7,915,669)
Contributions by owners						
On business combinations	-	-	-	-	612,448	612,448
At 1 April 2022	96,080	864,720	(10,163,128)	(9,202,328)	1,125,023	(8,077,305)
Comprehensive income for the year						
Loss for the year	-	-	(16,222,069)	(16,222,069)	756,635	(15,465,434)
Contributions by owners						
On business combinations	-	-	-	-	966,666	966,666
Shares issued during the year	2,000	18,000	-	20,000	-	20,000
At 31 March 2023	98,080	882,720	(26,385,197)	(25,404,397)	2,848,324	(22,556,073)

The notes on pages 16 to 46 form part of these financial statements.

AUGUSTA TOPCO LIMITED

**COMPANY STATEMENT OF CHANGES IN EQUITY
AS AT 31 MARCH 2023**

	Called up share capital £	Share premium account £	Profit and loss account £	Total equity £
At 1 April 2021	96,080	861,720	(672,365)	288,435
Comprehensive income for the year				
Loss for the year	-	-	(4,131,203)	(4,131,203)
At 1 April 2022	96,080	864,720	(4,803,568)	(3,842,768)
Comprehensive income for the year				
Loss for the year	-	-	(5,096,145)	(5,096,145)
Contributions by owners				
Shares issued during the year	2,000	18,000	-	20,000
At 31 March 2023	98,080	882,720	(9,899,713)	(8,918,913)

The notes on pages 16 to 46 form part of these financial statements.

AUGUSTA TOPCO LIMITED

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2023**

	2023 £	2022 £
Cash flows from operating activities		
Loss for the financial year	(15,465,434)	(7,915,669)
Adjustments for:		
Amortisation of intangible assets	10,434,039	5,148,304
Depreciation of tangible assets	481,467	180,724
Loss on disposal of tangible assets	-	72,753
Fair value movements	287,486	-
Interest payable	11,309,080	6,010,338
Interest receivable	(44,395)	(1,889)
Taxation charge	601,111	420,165
Decrease / (increase) in debtors	1,784,914	(1,024,340)
Increase in creditors	2,397,809	1,125,693
Corporation tax paid	(935,587)	(752,606)
Net cash generated from operating activities	<u>10,850,490</u>	<u>3,263,473</u>
Cash flow from investing activities		
Purchase of intangible fixed assets	(2,720,753)	(1,247,914)
Sale of intangible assets	-	2,286
Purchase of tangible fixed assets	(677,834)	(185,233)
Sale of tangible fixed assets	-	(73,761)
Interest received	44,395	1,889
Acquisition of subsidiaries	(43,296,808)	(11,958,331)
Deferred consideration paid	(5,897,209)	(942,221)
Net cash used in investing activities	<u>(52,548,209)</u>	<u>(14,403,285)</u>
Cash flows from financing activities		
New bank loans	63,076,134	3,769,222
New other loans	-	-
Payments for interest rate caps	(889,601)	-
Issue of ordinary shares	20,000	-
Issue of ordinary preference shares	-	7,500,000
Interest paid	(3,168,746)	(229,211)
Net cash used in financing activities	<u>59,037,787</u>	<u>11,040,011</u>
Net increase / (decrease) in cash and cash equivalents	17,340,068	(99,801)
Cash and equivalents at the beginning of the year	<u>9,321,703</u>	<u>9,421,504</u>
Cash and equivalents at the end of the year	<u>26,661,771</u>	<u>9,321,703</u>
Cash and cash equivalents at the end of the year comprise:		
Cash at bank and in hand	<u>26,661,771</u>	<u>9,321,703</u>
	<u>26,661,771</u>	<u>9,321,703</u>

The notes on pages 16 to 46 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

1. General information

Augusta Topco Limited is a private company, limited by shares, registered in England and Wales, registered number 12449928. The principal place of business is Elmwood House, Ghyll Royd, Guiseley, West Yorkshire, LS20 9LT.

The presentational currency is Pound Sterling as this is the currency of the primary economic environment in which the Company operates.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Comprehensive Income in these financial statements.

The following principal accounting policies have been applied:

2.2 Basis of consolidation

The consolidated financial statements present the results of the Company and its own subsidiaries ("the Group") as if they form a single entity. Intercompany transactions and balances between Group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the statement of financial position, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the Consolidated Statement of Comprehensive Income from the date on which control is obtained. They are deconsolidated from the date control ceases.

The Group attributes total comprehensive income or loss of subsidiaries between the owners of the parent and the non controlling interests based on their respective ownership interests.

2.3 Going concern

The directors have considered the Group and Company's future funding requirements taking into account the strength of the balance sheet, the forecast performance and the current economic climate.

The directors have a reasonable expectation that the Group and Company has adequate resources to continue in operational existence for the foreseeable future and have therefore concluded that the Group and Company's financial statements should be prepared on a going concern basis.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

2. Accounting policies (continued)

2.4 Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the Group and the turnover can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before turnover is recognised:

Rendering of services

Turnover represents commission and fees receivable on the brokerage of insurance, net of commissions ceded to introducers. Commission income is recognised on inception or renewal date of the policy. Alterations in brokerage arising from return and additional premiums are taken into account as and when these occur. Where there exists a material obligation to render post placement services an appropriate proportion of the revenue is deferred and recognised as revenue over the period those services are provided. Fee income is recognised in the period in which work was performed

2.5 Operating leases

Rentals paid under operating leases are charged to the Consolidated Statement of Comprehensive Income on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

2.6 Government grants

Grants of a revenue nature are recognised in the Consolidated Statement of Comprehensive Income in the same period as the related expenditure.

2.7 Interest income

Interest income is recognised in the Statement of Comprehensive Income using the effective interest method.

2.8 Finance costs

Finance costs are charge to the Statement of Comprehensive Income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.9 Borrowing costs

All borrowing costs are recognised in the Statement of Comprehensive Income in which they are incurred.

2. Accounting policies (continued)

2.10 Pensions

The Group operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. Once the contributions have been paid the Group has no further payment obligations.

The contributions are recognised as an expense in the Consolidated Statement of Comprehensive Income when they fall due. Amounts not paid are shown in accruals as a liability in the statement of financial position. The assets of the plan are held separately from the Group in independently administered funds.

2.11 Current and deferred taxation

The tax expense for the period comprises current and deferred tax. Tax is recognised in the Consolidated Statement of Comprehensive Income except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company and the Group operate and generate income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the reporting date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the Group can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

2.12 Intangible assets

Goodwill

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of the Group's share of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight line basis to the Consolidated Statement of Comprehensive Income over its useful economic life.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

2. Accounting policies (continued)

2.12 Intangible assets (continued)

Other intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

Amortisation is provided on the following bases:

Computer software	-	33.33% straight line
Other intangible assets	-	10% straight line
Goodwill on consolidation	-	10% straight line

At each reporting date the Group assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

2.13 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

At each reporting date the company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight line method.

Depreciation is provided on the following basis:

Computer equipment	-	33.33% straight line
Office equipment	-	15% straight line
Fixtures and fittings	-	10 to 20% straight line
Motor vehicles	-	14.29% straight line
Leasehold improvements	-	over the life of the lease
Long-term leasehold property	-	over the life of the lease

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Consolidated Statement of Comprehensive Income.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

2. Accounting policies (continued)

2.14 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

Investments in listed company shares are remeasured to market value at each Statement of Financial Position. Gains and losses on remeasurement are recognised in the Consolidated Statement of Comprehensive Income for the period.

2.15 Debtors

Short term debtors are measured at transaction price, less any impairment.

2.16 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Consolidated Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Group's cash management.

Client money bank accounts

The Group is required by the regulator, the Financial Conduct Authority (FCA), to pay all client money received into Client Money bank accounts, which are held subject to a Non-Statutory Trust. Payments from these accounts relate to the settlement of insurance creditors, refund premiums to clients and withdrawals of earned commission and third party professional fees.

The client money bank accounts are presented in the Group's Consolidated Balance Sheet as an asset with an equal and opposite liability reflecting amounts owed to underwriters and customers.

2.17 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.18 Insurance debtors and creditors

The Group acts as an agent in broking the insurable risks of clients and is not liable as a principal for premiums due to underwriters or for claims payable to clients.

The Company has no legal title to the fiduciary assets arising from its insurance activities because it acts as an agent. In recognition of this relationship, the insurance debtors and creditors are not presented on the balance sheet with just accrued brokerage being recognised.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

2. Accounting policies (continued)

2.19 Provisions for liabilities

Provisions are made where an event has taken place that gives the Group a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of Comprehensive Income in the year that the Group becomes aware of the obligation and are measured at the best estimate at the reporting date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Consolidated Statement of Financial Position.

2.20 Financial instruments

The Group only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out right short term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

Investments in non derivative instruments that are equity to the issuer are measured:

- at fair value with changes recognised in the Consolidated Statement of Comprehensive Income if the shares are publicly traded or their fair value can otherwise be measured reliably;
- at cost less impairment for all other investments.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the consolidated statement of comprehensive income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Group would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is an 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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

3. Judgements in applying accounting policies and key sources of estimation uncertainty

In applying the Group's accounting policies, the directors are required to make judgements, estimates and assumptions in determining the carrying amounts of assets and liabilities. The directors' judgements, estimates and assumptions are based on the most reliable evidence available at the time when the decisions are made and are based on historical experience and other factors that are considered to be applicable. Due to the inherent subjectivity involved in making such judgements, estimates and assumptions, the actual results and outcomes may differ.

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

Critical judgements in applying accounting policies

The critical judgements that the directors have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the financial statements are discussed below:

Assessing indicators of impairment

In assessing whether there have been any indicators of impairment of assets including subsidiary investments and goodwill, the directors have considered both external and internal sources of information.

Accounting for preference shares

The Group has previously issued preference shares. Judgement needs to be applied to determine whether these shares should be classified as debt, equity or a mixture of both. The value assigned to the debt and or equity is also likely to require judgement if the value of issued shares needs to be split between debt and equity.

Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty, that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next year are discussed below:

Profit share allocation

The Group receives profit shares from its underwriters on a Group basis. Group management allocate the profit share around the Group's trading subsidiaries based on their estimated contribution towards the overall achievement of the profit share. This is inherently subjective and actual amounts received are not known until after the year end.

Income deferral in respect of post placement activities

The Group defers income to reflect post placement activities performed by the Group's employees, primarily relating to claims handling. The calculation is inherently subjective and estimations are made in respect of the future cost of the claims department and their time spent dealing with claims relating to current or prior period sales.

Determining the value of contingent and deferred consideration payable

Acquisitions made by the Group contain contingent and/or deferred consideration. The amounts payable by the Group are contingent on trading performance and growth within future financial periods. This value is uncertain, however management have used post year end forecasted financial performance to determine their most accurate estimation.

AUGUSTA TOPCO LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

3. Judgements in applying accounting policies and key sources of estimation uncertainty (continued)*Determining the useful life of intangible assets*

The Group amortises intangible assets over their estimated useful economic lives. The estimation of useful lives of intangible assets is based on any contractual or legal rights associated with the asset, or the period in which the Group expects to use the asset if shorter.

4. Turnover

The whole of the turnover is attributable to the Group's principal activity.

All turnover arose within the United Kingdom.

5. Other operating income

	2023	2022
	£	£
Other operating income	175	3,428
Government grants receivable	-	2,200
	<u>175</u>	<u>5,628</u>

6. Operating loss

The operating loss is stated after charging:

	2023	2022
	£	£
Depreciation of tangible fixed assets	481,467	180,724
Amortisation of intangible assets	10,434,039	5,148,304
Other operating lease rentals	730,558	442,143
Loss on disposal	-	72,753
	<u>-</u>	<u>72,753</u>

7. Fair value movements

	2023	2022
	£	£
Fair value movement in respect of interest rate cap	<u>287,486</u>	<u>-</u>

AUGUSTA TOPCO LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

8. Auditor's remuneration

	2023	2022
	£	£
Fees payable to the Group's auditor for the audit of the Group's annual financial statements	<u>250,000</u>	<u>156,000</u>
Fees payable to the Group's auditor in respect of:		
Taxation compliance services	84,389	49,000
All other services	<u>19,764</u>	<u>57,500</u>
	<u>104,153</u>	<u>106,500</u>

9. Employees

Staff costs including directors' remuneration were as follows:

	2023	2022
	£	£
Wages and salaries	17,579,037	9,622,957
Social security costs	1,950,723	1,082,451
Cost of defined contribution scheme	905,247	584,092
	<u>20,435,007</u>	<u>11,289,500</u>

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

	2023	2022
	No.	No.
Employees	<u>366</u>	<u>218</u>

The Company has no employees other than the directors, who do not receive any remuneration directly from the Company (2022: nil).

AUGUSTA TOPCO LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

10. Directors' remuneration

	2023	2022
	£	£
Directors' emoluments	1,128,856	909,098
Group contributions to defined contribution pension scheme	16,600	19,000
	<u>1,145,456</u>	<u>928,098</u>

During the year retirement benefits were accruing to 3 directors (2022: 3) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £388,989 (2022: £291,942).

The value of the Group's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £11,667 (2022: £10,000).

The directors of the Company and those of its subsidiaries are deemed to be the Key Management Personnel of the Group, receiving total remuneration of £5,100,351 (2022: £2,440,106).

11. Interest receivable and similar income

	2023	2022
	£	£
Other interest receivable	<u>44,395</u>	<u>1,889</u>

12. Interest payable and similar expenses

	2023	2022
	£	£
Preference share interest	5,079,792	4,332,988
Bank loan interest	4,585,996	265,500
Loan note interest	1,552,064	1,385,875
Other interest payable	91,228	25,981
	<u>11,309,080</u>	<u>6,010,344</u>

AUGUSTA TOPCO LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

13. Taxation

	2023	2022
	£	£
Corporation tax		
Current tax on profits for the year	425,450	514,103
Adjustments in respect of previous periods	628	(70,438)
Total current tax	426,086	443,665
Deferred tax		
Origination and reversal of timing differences	162,617	(18,910)
Adjustments in respect of previous periods	12,408	(4,590)
Total deferred tax	175,025	(23,500)
Taxation on profit on ordinary activities	601,111	420,165

Factors affecting the tax charge for the year

The tax assessed for the year is higher than (2022: higher than) the standard rate of corporation tax in the UK of 19% (2022: 19%). The differences are explained below:-

	2023	2022
	£	£
Loss on ordinary activities before tax	(14,864,323)	(7,495,504)
Loss on ordinary activities multiplier by standard rate of corporation tax in the UK of 19% (2022: 19%)	(2,824,221)	(1,424,146)
Effects of:		
Non-tax deductible amortisation of goodwill and impairment	1,836,262	952,907
Expenses not deductible for tax purposes	1,558,460	984,532
Fixed asset differences	90,373	20,178
Income not taxable	(33)	(718)
Adjustments to tax charge in respect of prior periods	628	(70,438)
Adjustments to tax charge in respect of prior periods - deferred tax	12,408	(4,590)
Remeasurement of deferred tax for changes in tax rates	26,750	9,328
Deferred tax not recognised	51,149	(3,011)
Other differences leading to an decrease in the tax charge	(150,665)	(43,877)
Total tax charge for the year	601,111	420,165

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**
13. Taxation (continued)**Factors that may affect future tax charges**

The UK Government announced in the 2021 budget that from 1 April 2023 the rate of corporation tax in the United Kingdom will increase from 19% to 25%. Companies with profits of £50,000 or less will continue to be taxed at 19%, which is a new small profits rate. Where taxable profits are between £50,000 and £250,000 the higher rate will apply but with a marginal relief applying as profits increase.

14. Intangible assets**Group**

	Other intangible assets	Computer software	Goodwill	Total
	£	£	£	£
Cost				
At 1 April 2022	1,586,251	30,361	58,638,751	60,255,363
Additions	3,563,301	442,353	58,959,637	62,965,291
Acquisition of subsidiary	1,844,417	-	-	1,844,417
Disposals	-	-	-	-
At 31 March 2023	<u>6,993,969</u>	<u>472,714</u>	<u>117,598,388</u>	<u>125,065,071</u>
Amortisation				
At 1 April 2022	142,684	12,016	5,992,653	6,147,353
Charge for the year	691,879	77,621	9,664,539	10,434,039
Disposals	-	-	-	-
At 31 March 2023	<u>834,563</u>	<u>89,637</u>	<u>15,657,192</u>	<u>16,581,392</u>
Net book value				
At 31 March 2023	<u>6,159,406</u>	<u>383,077</u>	<u>101,941,196</u>	<u>108,483,679</u>
At 31 March 2022	<u>1,443,567</u>	<u>18,345</u>	<u>52,646,098</u>	<u>54,108,010</u>

Other intangible assets relate to insurance books of business purchased by Group companies by way of trade and assets deals.

£1,308,652 of the goodwill additions relate to the re-assessment of contingent consideration payable on acquisitions made in the prior period.

AUGUSTA TOPCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

15. Tangible fixed assets

Group

	Long term leasehold property £	Fixtures & fittings £	Computer equipment £	Office equipment £	Motor vehicles £	Total £
Cost						
At 1 April 2022	51,518	326,044	279,023	-	-	656,585
Additions	10,953	60,650	370,174	131,600	104,457	677,834
Acquisition of subsidiary	1,799,689	64,309	75,686	84,734	227,350	2,251,768
Disposals	-	-	-	-	-	-
At 31 March 2023	1,862,160	451,003	724,883	216,334	331,807	3,586,187
Depreciation						
At 1 April 2022	6,412	91,727	80,109	-	-	178,248
Charge for the year	13,994	193,624	164,953	65,030	43,866	481,467
Disposals	-	-	-	-	-	-
At 31 March 2023	20,406	285,351	245,062	65,030	43,866	659,715
Net book value						
At 31 March 2023	1,841,754	165,652	479,821	151,304	287,941	2,926,472
At 31 March 2022	45,106	234,317	198,914	-	-	478,337

The net book value of assets held under finance leases or hire purchase contracts, included above are as follows:

	2023 £	2022 £
Motor vehicles	271,605	-

AUGUSTA TOPCO LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

16. Investments**Group****Listed
investments
£****Cost**

At 1 April 2022

1,435

Additions

-

At 31 March 2023

1,435**Company****Investments
in subsidiary
companies
£****Cost**

At 1 April 2022

38,600,001

Additions

-

At 31 March 2023

38,600,001**Direct subsidiary undertaking**

The following was a direct subsidiary undertaking of the Company:

Name**Class of shares****Holding**

Augusta Midco Limited

Ordinary

100%

AUGUSTA TOPCO LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

16. Investments (continued)**Indirect subsidiary undertakings**

The following were indirect subsidiary undertakings of the Company:

Name	Class of shares	Holding
]JMG Group Investments Limited	Ordinary	100%
>J.M. Glendinning Group Limited	Ordinary	100%
>Ferranti Effect Limited	Ordinary A	90%
>Butterworth Spengler Group Limited	Ordinary A	79%
>Bickley Insurance Services Limited	Ordinary A	90%
>Astute Insurance Solutions Limited	Ordinary A	90%
>Greenwood Group Holdings Limited	Ordinary A, B, C, D	75%
>BJP Holdings Limited	Ordinary, A1, A2	80%
>JMG GI2 Limited	Ordinary A, B	90%
>JMG GI3 Limited	Ordinary A, B	90%
>JMG GI5 Limited	Ordinary	100%
>JMG GI6 Limited	Ordinary	100%
*JMG Employee Benefits Limited	Ordinary	80%
*J.M. Glendinning (Insurance Brokers) Corporate Limited	Ordinary A	88%
*J.M. Glendinning (Insurance Brokers) South Yorkshire Limited	Ordinary A	91%
*J.M. Glendinning (Insurance Brokers) North East Limited	Ordinary	100%
*J.M. Glendinning (Insurance Brokers) Limited	Ordinary	100%
*J.M. Glendinning (Insurance Brokers) North Yorkshire Limited	Ordinary	94%
*J.M. Glendinning (Insurance Brokers) North West Limited	Ordinary A	75%
*J.M. Glendinning (Insurance Brokers) Real Estate Limited	Ordinary A	75%
*J.M. Glendinning Townends (Insurance Brokers) Limited	Ordinary	100%
*Premier Choice Insurance Services Limited	Ordinary A	90%
*Knightsure Insurance Brokers Limited	Ordinary, B	100%
*J.M. Glendinning Community Risk Solutions Limited	Ordinary A	85%
*Sphere Commercial Solutions Limited	Ordinary	100%
#Nowell & Richards Insurance Services Limited	Ordinary A, B, C, D	90%
~Butterworth Spengler Holdings Limited	Ordinary	79%
~Cyclesure Holdings Limited	Ordinary	79%
~Risk Support Services Limited	Ordinary	79%
~Butterworth Spengler Professional Risks Limited	Ordinary	79%
~NM Holdings (2015) Limited	Ordinary	79%
^Butterworth Spengler (Cyclesure) Limited	Ordinary	79%
+Butterworth Spengler Commercial Limited	Ordinary	79%
?BIBL Holdings (2015) Limited	Ordinary A, B, C, D, E	79%
&Butterworth Spengler South West Limited	Ordinary	79%
<George Stubbs Insurance Services Limited	Ordinary A, B	90%
)Greenwood Insurance Consultants Limited	Ordinary A, B, C, D	75%
\$BJP Insurance Brokers Limited	Ordinary, A	80%
\$Antell Insurance Associates Limited	Ordinary	80%
~New Era Insurance Services Limited	Ordinary	90%
~New Era Risk Limited	Ordinary	100%

All entities listed above have the same registered office as the Company with the exception of the following:

Name	Registered address
Greenwood Group Holdings Limited	117 Cadzow Street, Hamilton, ML3 6JA
Greenwood Insurance Consultants Limited	117 Cadzow Street, Hamilton, ML3 6JA
George Stubbs Insurance Services Limited	South Inch Business Centre, Shore Road, Perth, PH2 8BW

AUGUSTA TOPCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

16. Investments (continued)

The following UK companies were exempt from the requirements relating to the audit of individual financial statements by virtue of Section 479A of the Companies Act 2006:

Antell Insurance Associates Limited – registered no. 04253207
Astute Insurance Solutions Limited – registered no. 06776503
BIBL Holdings (2015) Limited – registered no. 09833016
BJP Holdings Limited – registered no. 05617794
Butterworth Spengler (Cyclesure) Limited – registered no. 01593973
Butterworth Spengler Professional Risks Limited – registered no. 06808611
Butterworth Spengler Group Limited – registered no. 12491285
Butterworth Spengler Holdings Limited – registered no. 05058536
Butterworth Spengler South West Limited – registered no. 03433998
Cyclesure Holdings Ltd – registered no. 07227859
Ferranti Effect Limited – registered no. 10051777
Greenwood Group Holdings Limited – registered no. SC565797
J.M. Glendinning (Insurance Brokers) Corporate Limited – registered no. 08814614
J.M. Glendinning Community Risk Solutions Limited – registered no. 14382409
JMG Employee Benefits Limited – registered no. 09828000
JMG GI2 Limited – registered no. 14032465
JMG GI3 Limited – registered no. 14260396
J.M. Glendinning (Insurance Brokers) North East Limited – registered no. 08687903
J.M. Glendinning (Insurance Brokers) North West Limited – registered no. 12303036
J.M. Glendinning (Insurance Brokers) North Yorkshire Limited – registered no. 01338795
J.M. Glendinning (Insurance Brokers) Real Estate Limited – registered no. 11577189
J.M. Glendinning (Insurance Brokers) South Yorkshire Limited – registered no. 08687876
J.M. Glendinning Townends (Insurance Brokers) Limited – registered no. 08814613
New Era Insurance Services Limited – registered no. 14378749
NM Holdings (2015) Limited – registered no. 09777969
Premier Choice Insurance Services Limited – registered no. 02383752
Risk Support Services Ltd – registered no. 09297505

Indirect subsidiaries

] Shares are held by Augusta Midco Limited
> Shares are held by JMG Group Investments Limited
* Shares are held by J.M. Glendinning Group Limited
Shares are held by Ferranti Effect Limited
~ Shares are held by Butterworth Spengler Group Limited
^ Shares are held by Cyclesure Holdings Limited
+ Shares are held by Butterworth Spengler Holdings Limited
? Shares are held by NM Holdings (2015) Limited
< Shares are held by JMG GI2 Limited
) Shares are held by Greenwood Group Holdings Limited
\$ Shares are held by BJP Insurance Brokers Limited
& Shares are held by BIBL Holdings (2015) Limited
~ Shares are held by JMG GI3 Limited

AUGUSTA TOPCO LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

17. Debtors

	Group 2023 £	Group 2022 £	Company 2023 £	Company 2022 £
Due after more than one year				
Other debtors	101,076	90,000	-	-
	<u>101,076</u>	<u>90,000</u>	<u>-</u>	<u>-</u>
	Group 2023 £	Group 2022 £	Company 2023 £	Company 2022 £
Due within one year				
Trade debtors	5,268,815	2,473,140	-	-
Amounts owed by group undertakings	-	-	52,260	28,539
Financial instruments	542,115	-	-	-
Other debtors	2,150,916	1,162,195	-	-
Prepayments and accrued income	901,027	674,808	-	-
	<u>8,862,873</u>	<u>4,310,143</u>	<u>52,260</u>	<u>28,539</u>

Amounts owed by group undertakings are unsecured, interest free and repayable on demand.

Financial instruments includes an interest rate cap which is held at fair value through profit and loss.

18. Cash and cash equivalents

	Group 2023 £	Group 2022 £
Cash at bank and in hand	26,661,771	9,321,703
	<u>26,661,771</u>	<u>9,321,703</u>

Included within the cash at bank balance is £16,868,238 (2022: £6,306,848) held on behalf of clients and insurers which include undrawn commission totalling £nil (2022: £91,636).

AUGUSTA TOPCO LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

19. Creditors

Amounts falling due within one year

	Group 2023 £	Group 2022 £	Company 2023 £	Company 2022 £
Bank loans	152,739	-	-	-
Hire purchase creditor	86,422	-	-	-
Other loans	-	19,956	-	-
Deferred consideration	7,486,605	5,256,558	-	-
Trade creditors	999,081	733,999	-	-
Insurance creditors	17,314,070	6,099,181	-	-
Amounts owed to group undertakings	-	-	150,053	129,980
Corporation tax	815,048	703,668	-	-
Other taxation and social security	581,116	377,630	-	-
Other creditors	322,285	281,363	-	-
Accruals and deferred income	4,688,153	2,566,191	-	-
	<u>32,445,519</u>	<u>16,038,546</u>	<u>150,053</u>	<u>129,980</u>

Amounts owed to group undertakings are unsecured, interest free and repayable on demand.

Amounts falling due after more than one year

	Group 2023 £	Group 2022 £	Company 2023 £	Company 2022 £
Bank loans	68,821,672	4,221,071	-	-
Other loans	14,482,966	12,930,903	-	-
Hire purchase creditor	138,579	-	-	-
Deferred consideration	6,011,036	834,509	-	-
Other creditors	10,440,646	5,360,853	10,440,646	5,360,853
Share capital treated as debt	36,980,475	36,980,475	36,980,475	36,980,475
	<u>136,875,374</u>	<u>60,327,811</u>	<u>47,421,121</u>	<u>42,341,328</u>

Disclosure of the terms and conditions attached to the non-equity shares is made in note 22.

AUGUSTA TOPCO LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

20. Loans

Analysis of the maturity of loans set out below:

	Group 2023 £	Group 2022 £
Amounts falling due within one year		
Bank loans	152,739	-
Other loans	-	19,956
Amounts falling due after more than 5 years		
Bank loans	68,821,672	4,221,071
Loan notes	14,482,966	12,930,903
	<u>83,457,377</u>	<u>17,171,930</u>

Loan notes of £14,283,838 (2022: £12,753,489) are attracting interest at a fixed rate of 12% per annum.

The bank loan is due to be repaid in full in December 2028. The interest rate is variable depending on a number of factors. The initial interest rate applicable in the year was SONIA +5.75%. The loan is secured by way of a fixed and floating charge.

21. Deferred tax**Group**

	2023 £	2022 £
At 1 April 2022	(20,576)	(44,076)
(Charge)/credit for the year	(175,025)	23,500
Arising on business combinations	(76,885)	-
At 31 March 2023	<u>(272,486)</u>	<u>(20,576)</u>

The provision for deferred tax is made up as follows:

	2023 £	2022 £
Accelerated capital allowances	(311,766)	(20,576)
Other timing differences	30,603	-
Tax losses carried forward	8,677	-
	<u>(272,486)</u>	<u>(20,576)</u>

AUGUSTA TOPCO LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

22. Share capital

Shares classified as equity	2023 £	2022 £
Allotted, called up and fully paid		
633,239 (2022: 633,239) Ordinary A shares of £0.10 each	63,324	63,324
141,761 (2022: 141,761) Ordinary B shares of £0.10 each	14,176	14,176
205,800 (2022: 185,800) Ordinary C shares of £0.10 each	20,580	18,580
	<u>98,080</u>	<u>96,080</u>
Shares classified as debt	2023 £	2022 £
Allotted, called up and fully paid		
31,348,787 (2022: 31,348,787) Ordinary A preference shares of £0.000001 each	31,348,787	31,348,787
5,631,688 (2022: 5,631,688) Ordinary B preference shares of £0.000001 each	5,631,688	5,631,688
	<u>36,980,475</u>	<u>36,980,475</u>

On 1 August 2022, the Company issued 20,000 Ordinary 'C' shares of £0.10 each. All of the shares were issued at a premium of £0.90.

The Ordinary A, B and C shares have attached to them full voting, dividend and capital distribution rights, however they do not confer any rights to redemption.

The Ordinary A and B preference shares have attached to them a fixed annual dividend of 12% of issue price. They are considered to be debt rather than equity and are redeemable but have no voting rights attached to them.

23. Reserves**Share premium account**

This reserve represents amounts received on issue of shares in excess of the nominal value of those issue shares.

Profit and loss account

This reserve represents accumulated losses.

AUGUSTA TOPCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

24. Analysis of net debt

	At 1 April 2022 £	Cash flows £	Acquired with subsidiaries £	Arising on acquisition of subsidiaries £	Interest charged £	At 31 March 2023 £
Cash at bank and in hand	9,321,703	7,364,846	9,975,222	-	-	26,661,771
Bank loans due after 1 year	(4,221,071)	(59,306,663)	(707,942)	-	(4,585,996)	(68,821,672)
Bank loans due within 1 year	-	646,109	(798,848)	-	-	(152,739)
Other loans (non- current)	(12,930,903)	-	-	-	(1,552,064)	(14,482,967)
Other loans (current)	(19,956)	19,956	-	-	-	-
Hire purchase creditor (non- current)	-	-	(138,579)	-	-	(138,579)
Hire purchase creditor (current)	-	56,723	(51,917)	-	(91,228)	(86,422)
Deferred consideration (non- current)	(834,509)	-	-	(5,176,527)	-	(6,011,036)
Deferred consideration (current)	(5,256,558)	5,611,765	-	(7,841,812)	-	(7,486,605)
Preference share capital treated as debt	(42,341,328)	-	-	-	(5,079,792)	(47,421,120)
	<u>(56,282,622)</u>	<u>(45,607,264)</u>	<u>8,277,936</u>	<u>(13,018,339)</u>	<u>(11,309,080)</u>	<u>(117,939,369)</u>

AUGUSTA TOPCO LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

25. Business combinations

During the year the Group acquired Greenwood Group Holdings Limited, Greenwood Insurance Consultants Limited, George Stubbs Insurance Services Limited, Premier Choice Insurance Services Limited, BJP Holdings Limited, BJP Insurance Brokers Limited, Antell Insurance Associates Limited, Knightsure Insurance Brokers Limited, Sphere Commercial Solutions Limited and New Era Risk Limited.

Acquisition of George Stubbs Insurance Services Limited
Recognised amounts of identifiable assets acquired and liabilities assumed

	Book value £	Fair value adjustments £	Fair value £
Fixed assets			
Tangible	51,653	-	51,653
Intangible	466,885	-	466,885
	<u>518,538</u>	<u>-</u>	<u>518,538</u>
Current assets			
Debtors	2,517,056	-	2,517,056
Cash at bank and in hand	1,714,703	-	1,714,703
Total assets	<u>4,750,297</u>	<u>-</u>	<u>4,750,297</u>
Creditors			
Due within one year	(3,073,584)	-	(3,073,584)
Deferred taxation	(5,699)	-	(5,699)
Total identifiable net assets	<u>1,671,014</u>	<u>-</u>	<u>1,671,014</u>
Non-controlling interests			(167,101)
Goodwill			21,604,476
Total purchase consideration			<u>23,108,389</u>
Consideration			
Cash			19,540,974
Deferred consideration			2,316,616
Directly attributable costs			1,173,607
Capitalised staff costs			77,192
Total purchase consideration			<u>23,108,389</u>
			£
Purchase consideration settled in cash, as above			19,540,974
Directly attributable costs			1,173,607
			<u>20,714,581</u>
Less: Cash and cash equivalents acquired			(1,714,703)
Net cash outflow on acquisition			<u>18,999,878</u>

AUGUSTA TOPCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

The results of George Stubbs Insurance Services Limited since acquisition are as follows:

	Current period since acquisition £
Turnover	4,170,419
Profit for the period since acquisition	1,061,296

Acquisition of Greenwood Group Holdings Limited and Greenwood Insurance Consultants Limited

Recognised amounts of identifiable assets acquired and liabilities assumed

	Book value £	Fair value adjustments £	Fair value £
Fixed assets			
Tangible	312,202	-	312,202
Intangible	1,377,532	-	1,377,532
	1,689,734	-	1,689,734
Current assets			
Debtors	328,799	-	328,799
Cash at bank and in hand	1,103,590	-	1,103,590
Total assets	3,122,123	-	3,122,123
Creditors			
Due within one year	(1,834,383)	-	(1,834,383)
Due in over one year	(503,701)	-	(503,701)
Deferred taxation	(43,636)	-	(43,636)
Total identifiable net assets	740,403	-	740,403
Non-controlling interests			(185,101)
Goodwill			8,512,819
Total purchase consideration			9,068,121
Consideration			
Cash			7,371,647
Deferred consideration			1,473,708
Directly attributable costs			178,657
Capitalised staff costs			44,109
Total purchase consideration			9,068,121

AUGUSTA TOPCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

	£
Purchase consideration settled in cash, as above	7,371,647
Directly attributable costs	178,657
	<u>7,550,304</u>
Less: Cash and cash equivalents acquired	(1,103,590)
Net cash outflow on acquisition	<u>6,446,714</u>

The results of Greenwood Group Holdings Limited and Greenwood Insurance Consultants Limited since acquisition are as follows:

	Current period since acquisition £
Turnover	<u>3,311,788</u>
Profit for the period since acquisition	<u>220,469</u>

Acquisition of Sphere Commercial Solutions Limited

Recognised amounts of identifiable assets acquired and liabilities assumed

	Book value £	Fair value adjustments £	Fair value £
Fixed assets			
Tangible	2,523	-	2,523
	<u>2,523</u>	<u>-</u>	<u>2,523</u>
Current assets			
Debtors	151,614	-	151,614
Cash at bank and in hand	85,681	-	85,681
Total assets	<u>239,818</u>	<u>-</u>	<u>239,818</u>
Creditors			
Due within one year	(85,979)	-	(85,979)
Total identifiable net assets	<u>153,839</u>	<u>-</u>	<u>153,839</u>
Non-controlling interests			-
Goodwill			2,745,018
Total purchase consideration			<u>2,898,857</u>
Consideration			
Cash			1,772,465
Deferred consideration			1,056,000
Directly attributable costs			70,392
Total purchase consideration			<u>2,898,857</u>

AUGUSTA TOPCO LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

	£
Purchase consideration settled in cash, as above	1,772,465
Directly attributable costs	70,392
	<u>1,842,857</u>
Less: Cash and cash equivalents acquired	<u>(85,681)</u>
Net cash outflow on acquisition	<u>1,757,176</u>

The results of Sphere Commercial Solutions Limited since acquisition are as follows:

	Current period since acquisition £
Turnover	-
Profit for the period since acquisition	<u>-</u>

The trade of the business was hived in to J.M. Glendinning (Insurance Brokers) Limited as at 7 April 2022.

AUGUSTA TOPCO LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

Acquisition of Premier Choice Insurance Services Limited

Recognised amounts of identifiable assets acquired and liabilities assumed

	Book value £	Fair value adjustments £	Fair value £
Fixed assets			
Tangible	6,026	-	6,026
	6,026	-	6,026
Current assets			
Debtors	180,133	-	180,133
Cash at bank and in hand	2,215,442	-	2,215,442
Total assets	2,401,601	-	2,401,601
Creditors			
Due within one year	(515,666)	-	(515,666)
Deferred taxation	(668)	-	(668)
Total identifiable net assets	1,885,267	-	1,885,267
Non-controlling interests			(188,527)
Goodwill			2,575,713
Total purchase consideration			4,272,453

Consideration

Cash	3,850,226
Deferred consideration	250,000
Directly attributable costs	150,172
Capitalised staff costs	22,055
Total purchase consideration	4,272,453

£

Purchase consideration settled in cash, as above	3,850,226
Directly attributable costs	150,172
	4,000,398
Less: Cash and cash equivalents acquired	(2,215,442)
Net cash outflow on acquisition	1,784,956

The results of Premier Choice Insurance Services Limited since acquisition are as follows:

	Current period since acquisition £
Turnover	522,079
Profit for the period since acquisition	217,739

AUGUSTA TOPCO LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

Acquisition of BJP Holdings Limited, BJP Insurance Brokers Limited and Antell Insurance Associates Limited

Recognised amounts of identifiable assets acquired and liabilities assumed

	Book value £	Fair value adjustments £	Fair value £
Fixed assets			
Tangible	1,871,908	-	1,871,908
	<u>1,871,908</u>	<u>-</u>	<u>1,871,908</u>
Current assets			
Debtors	871,095	-	871,095
Cash at bank and in hand	4,778,570	-	4,778,570
Total assets	<u>7,521,573</u>	<u>-</u>	<u>7,521,573</u>
Creditors			
Due within one year	(4,601,514)	-	(4,601,514)
Due in over one year	(787,860)	-	(787,860)
Deferred taxation	(2,522)	-	(2,522)
Total identifiable net assets	<u>2,129,677</u>	<u>-</u>	<u>2,129,677</u>
Non-controlling interests			(425,935)
Goodwill			20,307,295
Total purchase consideration			<u>22,011,037</u>

	£
Consideration	
Cash	17,242,704
Deferred consideration	4,085,120
Directly attributable costs	606,022
Capitalised staff costs	77,191
Total purchase consideration	<u>22,011,037</u>

	£
Purchase consideration settled in cash, as above	17,242,704
Directly attributable costs	606,022
	<u>17,848,726</u>
Less: Cash and cash equivalents acquired	(4,778,570)
Net cash outflow on acquisition	<u>13,070,156</u>

AUGUSTA TOPCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

The results of BJP Holdings Limited, BJP Insurance Brokers Limited and Antell Insurance Associates Limited since acquisition are as follows:

	Current period since acquisition £
Turnover	2,028,447
Profit for the period since acquisition	377,072

Acquisition of Knightsure Insurance Brokers Limited

Recognised amounts of identifiable assets acquired and liabilities assumed

	Book value £	Fair value adjustments £	Fair value £
Fixed assets			
Tangible	6,491	-	6,491
	6,491	-	6,491
Current assets			
Debtors	17,388	-	17,388
Cash at bank and in hand	67,611	-	67,611
Total assets	91,490	-	91,490
Creditors			
Due within one year	(40,345)	-	(40,345)
Deferred taxation	(1,233)	-	(1,233)
Total identifiable net assets	49,912	-	49,912
Non-controlling interests			-
Goodwill			858,713
Total purchase consideration			908,625
Consideration			
Cash			630,650
Deferred consideration			243,000
Directly attributable costs			34,975
Total purchase consideration			908,625
			£
Purchase consideration settled in cash, as above			630,650
Directly attributable costs			34,975
			665,625
Less: Cash and cash equivalents acquired			(67,611)
Net cash outflow on acquisition			598,014

AUGUSTA TOPCO LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

The results of Knightsure Insurance Brokers Limited since acquisition are as follows:

	Current period since acquisition £
Turnover	65,844
Profit for the period since acquisition	20,528

Acquisition of New Era Risk Limited**Recognised amounts of identifiable assets acquired and liabilities assumed**

	Book value £	Fair value adjustments £	Fair value £
Fixed assets			
Tangible	1,064	-	1,064
	1,064	-	1,064
Current assets			
Debtors	27,587	-	27,587
Cash at bank and in hand	9,625	-	9,625
Total assets	38,276	-	38,276
Creditors			
Due within one year	(10,326)	-	(10,326)
Due after more than one year	(92,799)	-	(92,799)
Deferred taxation	(202)	-	(202)
Total identifiable net liabilities	(65,051)	-	(65,051)
Non-controlling interests			-
Goodwill			1,046,951
Total purchase consideration			981,900
Consideration			
Cash			504,458
Deferred consideration			315,000
Directly attributable costs			145,081
Capitalised staff costs			17,361
Total purchase consideration			981,900

AUGUSTA TOPCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

	£
Purchase consideration settled in cash, as above	504,458
Directly attributable costs	145,081
	649,539
Less: Cash and cash equivalents acquired	(9,625)
Net cash outflow on acquisition	639,914

The results of New Era Risk Limited since acquisition are as follows:

	Current period since acquisition £
Turnover	6,718
Loss for the period since acquisition	(24,901)

26. Pension commitments

The Group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Group in an independently administered fund. The pension cost charge represents contributions payable by the Group to the fund and amounted to £905,247 (2022: £584,092). Contributions totalling £106,819 (2022: £47,998) were payable to the fund at the balance sheet date and are included in creditors.

27. Commitments under operating leases

At 31 March 2023, the Group and the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	Group 2023 £	Group 2022 £
Not later than 1 year	513,511	380,468
Later than 1 year and not later than 5 years	853,951	896,592
Later than 5 years	541,750	640,250
	<u>1,909,212</u>	<u>1,917,310</u>

28. Hire purchase and finance leases

At 31 March 2023, the Group and the Company had future minimum lease payments due under hire purchase contracts for each of the following periods:

	2023 £	2022 £
Not later than 1 year	86,422	-
Later than 1 year and not later than 5 years	138,579	-
	<u>225,001</u>	<u>-</u>

AUGUSTA TOPCO LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
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29. Related party transactions

The Company is exempt under FRS 102 from disclosing related party transactions with members of the same group that are wholly owned.

At the year end, the Company was owed £3,721 (2022: £nil) by non-wholly owned group companies.

During the year interest of £5,079,792 (2022: £4,332,988) was charged on preference shares.

During the year interest of £1,552,064 (2022: £1,385,875) was charged on loan notes.

The Group paid £42,000 (2022: £42,000) to the ultimate controlling party in respect of Directors' fees.

During the year there were advances to directors totalling £34,637 and repayments from directors totalling £1,109,969 in respect of loans with the Group. At the balance sheet date, the amount due from directors was £13,225.

30. Post balance sheet events

On 17 May 2023, the Group acquired 85% of the capital of Lighthouse Risk Services LLP for a consideration of £4,254,691.

On 19 May 2023, the Group acquired 100% of the issued share capital of Insure Business Services Limited for a consideration of £312,965.

On 21 June 2023, the Group acquired 100% of the issued share capital of GR Marshall and Co Limited for a consideration of £1,086,906.

On 23 June 2023, the Group acquired 100% of the issued share capital of Blackfriars Insurance Brokers Limited for a consideration of £5,588,324.

On 28 July 2023, the Group acquired the business and assets of Kompliant Limited for a consideration of £200,000.

On 11 September 2023, the Group acquired 100% of the issued share capital of Stufio Limited, including Calcluth & Sangster (Insurance Brokers) Limited, for approximately £2.5m.

31. Controlling party

The ultimate controlling party is considered to be Synova LLP by way of their majority control of the Company, held indirectly by Synova Capital IV Feeder LLP. There is no individual with control over this entity.