Company registration number (England and Wales): 01151522

KIRLY LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

KIRLY LIMITED

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KIRLY LIMITED

COMPANY INFORMATION

Company Registration Number	01151522

COMPANY PERSONNEL

Directors	M W Johnson M A Johnson

COMPANY ADDRESSES

Registered office	11 Luard Road Cambridge CB2 8PJ
Auditors	Humphrey & Co Audit Services Ltd 7 - 9 The Avenue Eastbourne East Sussex BN21 3YA

KIRLY LIMITED

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2020

The directors have pleasure in presenting their report together with the financial statements for the year ended 31 December 2020.

Directors
The directors who held office at any time during the year are listed below:

M W Johnson
M A Johnson

Results and dividends
The loss for the year after taxation was £858,408 (2019: profit £27,649,967). Ordinary dividends were paid during the year amounting to £69,125 (2019: £184,065) The directors do not recommend the payment of a final dividend.

Statement of directors' responsibilities
The directors are responsible for preparing the Directors' Report, Strategic Report and the financial statements in accordance with applicable law and regulations and in accordance with UK Generally Accepted Accounting Practice.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the 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 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;
- 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's and company's transactions and disclose with reasonable accuracy at any time the financial position of the group and company and enable them to ensure that the financial statements comply with the Companies Act 2006.

The directors are also responsible for safeguarding the assets of the group and company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditors
The auditors, Humphrey & Co Audit Services Ltd, are deemed to be reappointed under Section 487(2) of the Companies Act 2006.

Statement of disclosure to auditors
So far as the directors are aware, there is no relevant audit information (information needed by the group's and company's auditors in connection with preparing their report) of which the auditors of the group and company are unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the auditor of the group and company are aware of that information.

Approved by the Board on 17 December 2021 and signed on its behalf by:

MW Johnson

M W Johnson
Director

KIRLY LIMITED

STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2020

The directors have pleasure in presenting their strategic report for the year ended 31 December 2020.

Fair review of the business
The group's total capital and reserves at the year end were £39,573,134 (2019: £41,033,205).

The group financial statements incorporate the annual accounting results of the syndicates on which the group's subsidiary companies participate for the 2018, 2019 and 2020 years of account as well as 2017 and prior run-off years. Gross premiums written increased from £3,939,831 to £5,868,717 compared to the previous year and the overall balance on the technical account decreased from £130,336 to a deficit of £110,862 as a result of the level of claims experienced. The 2019 and 2020 open underwriting accounts will normally close at 31 December 2021 and 2022.

In 2019 Kirly Limited bought substantially all the share capital of the old NW Brown Group and we renamed it Kirly Group Holdings Limited. At the current date we have significant uncertainties as to the collectability of the entire proceeds due to that company from Brown Shipley as they have lost a number of clients and also believe that a rather expensive, and in our view unnecessary, review of advice given to clients who were and remain happy with the outcome of that advice should be made at our expense. Needless to say the only major beneficiaries from this are the lawyers.

Last year we noted that the effect of COVID-19 on your company was considerable. In summary our insurance claims were about £500,000, our losses in Freedom slightly more and we wrote off a similar amount on our investment in Life's Kitchen. We have funded extensively in the year both our new subsidiary LK Catering and Events which trades as Life's Kitchen, and Freedom. The travel insurance business has still not recovered to any extent but our Lloyd's account in the London market has seen large increases in insurance rates generally. We keep our fingers crossed that with widespread use of the various vaccines the COVID-19 affected businesses will return to good health in 2022, but at the date of this report there is little sign of any recovery in travel and the entertainment and hospitality sector remains at best mixed. We remain confident of a return to profitability in 2021.

We are beginning to see the return to marginal profitability of our Lloyd's based insurance underwriting operations. Our largest insurance operation is Chariot (II) Underwriting and this company shows a loss of £235,222 in 2020 compared to a profit of £90,329 last year. In Paddock St Holdings we have been active in our development programme reported on in Kate's report below. The company remains in a good financial position in spite of this year's loss and we have again increased our insurance business for next year. We remain able and willing to finance development of our properties and expansion of our investment companies when opportunities arise. The acquisition of various assets from the liquidators of the old Chrysalis VCT is virtually complete at the time of this report and we will report more fully in our next report. We, as most businesses, continue to watch Brexit developments with total horror. We said last year it would cost us our Irish travel business. What we did not anticipate is that any EU-based business now has an extra layer of expense in that the FCA has put onerous and expensive unnecessary requirements to replicate in the UK the whole underwriting and supervision structure they have previously had in their home country. Not surprisingly the two largest underwriters have decided this duplication makes writing UK business uneconomic and withdrawn from the market leaving the travel insurance industry, including Freedom, in complete disarray. We hope to resolve this situation by finding a new underwriter but in the meantime the rates our customers are paying have skyrocketed where we can get cover.

The main risks to our continued profitability remain significant catastrophe claims or a downturn in the commercial property market. We have at the time of writing about 20 unsold apartments in Cambridge so any downturn in residential property in the next few months could prove costly. As some of the reserves and the capital backing our Lloyd's underwriting is invested in equities we remain exposed to stock exchange valuations.

Kate Dyer writes about Paddock St Holdings (PSH): It has been an active year for development with the Coldhams Lane development contract starting and plans for Chartwell House also moving forward.

We have several tenants going through difficult times and have experienced bad debts and frequent delays in rent payment as a result of COVID-19. The Futon Company, Life Force Fitness, Freedom and Elsie May's Electric Coffee Shop were all shut for business for major parts of 2020 and this is reflected in our 2020 results. In 2021 all bar Freedom have resumed operation. At the time of this report we have rather too many voids for comfort with the first floor of Richmond House, half the first floor of Pembroke House, the warehouse in Northampton, 3 Northampton offices, the top floor of St Neots and much of 53 Barker St either vacant or shortly to be so. In some cases if we do not see any interest we may bring forward development projects but in others our agents are predicting a reasonably fast relet.

Fair review of the business (continued)
We are still delighted with the performance of the Aardla commercial centre in Tartu, Estonia where the predicted healthy returns continue to be achieved. Towards the end of the year we entered into another (smaller) joint venture in Tallinn for a production facility (Alasi Tee) where we have similar terms of participation to Aardla. Both of these projects involve us in some gearing and foreign exchange exposure in Euro. We continue to co-operate with Pigeon in several different ways.

As the operations of PSH mature and increase your Board has considered whether it makes sense to separate them entirely from the other operations of the Kirly group. We are taking advice on effective ways of achieving this and will communicate further with shareholders when there are firmer proposals to make. In general terms we would like to give each shareholder in Kirly Ltd the opportunity to have a direct share in PSH rather than an indirect share via Kirly Ltd. As a first step towards this Alex Axiom has become a director of PSH and I anticipate in future years she will be writing this report.

Alex Axiom writes about insurance: The underwriting in Chariot II for the 2019 year of account is probably close to break even and of course at this stage it is too early to say anything definitive about 2020. Although there was a clear improvement in rates pretty well across the board we expect a loss of about £200,000 on our underwriting, partly due to COVID-19. These estimates have frequently improved in the last year of an account but a return to good profits is a year off. For exactly the same risks we are now being paid more than 20% more than in 2019 and this has persuaded us to increase our underwriting in Chariot to £7.5m for 2021 and £7.9m in 2022. Our open year profits have been favourably influenced by our decision to underwrite substantial amounts of motor business for the first time. We remain open to the possibility of purchasing other Lloyd's vehicles going forward but have not been shown attractive opportunities in the year.

Although the results of Freedom itself are very disappointing we will be in an excellent position to trade into 2022 with higher rates, much better systems and less competition. We have committed large sums to Freedom to fund its Covid related losses and now own over 75% of that company. We continue to look for suitable acquisitions in travel insurance and will provide finance for such expansion. Because of the continued losses through the period and into 2021 we have made a substantial provision against our investment in Freedom but we remain very hopeful that one day travel will resume, travellers will want insurance and that we will be there to help them get it.

Victoria Montgomery writes: this year has again been truly trying for most of our early stage investments. Apertus Ltd depends for most of its income on clients' electricity usage but has a purely industrial and commercial client base. This business has been totally disrupted by a total market failure following Brexit, a huge jump in gas prices, government regulation of retail prices and the consequent bankruptcy of many market participants who sold energy forward and could not meet their commitments. Apertus is less exposed than its competitors to this but one of its major suppliers became bankrupt with negative consequences for cash flow and profitability. We continue to provide support in the confident expectation that when normal market conditions resume Apertus will be in a strong competitive position. Bayfield Training have traded profitably in the year and no further support has been necessary. Mykindacrowd has similarly been seeing lower demand due to COVID-19 but has recently successfully raised substantial sums which may be sufficient to take them through to profitability. Hampden Underwriting has reduced income due to Lloyd's losses in recent years but should see a substantial recovery in profits when 2021 results come through. The deal with Chrysalis has been 2 years in the making but will add several early stage investments to our portfolio. These vary from Driver Require (https://driverrequire.co.uk) who deliver for Ocado to Locale (https://www.localerestaurants.com) who have restaurants in London. We are always looking at proposals where we can finance new and profitable companies, one major investment area is alternative energy where to date we have never been convinced by any of the projects shown to us but we are seriously considering solar generation of electricity in Norwich when we replace the roof on 18/20 Paddock Street and still periodically consider the economics of adding PV panels to the Aardla centre in Estonia. Whilst awaiting investment opportunities we continue to make short term loans where we can do so at rates and taking risks which are acceptable to your Board. We retain ownership of 20% of Cambridge Network and 100% of Cambridge Index but to date with no financial benefit. Similarly we continue to invest in the investment management systems previously used by NW Brown ("Maddox") but have failed so far to convince anyone to use them in spite of the inadequacy of most recording and reporting systems used in the investment management industry.

Principal risks and uncertainties

The key business risks and uncertainties affecting the group are considered to relate to insurance risk, investment and currency risk, and regulatory risk, as well as specific risks as detailed in the fair review of the business.

The group is principally exposed to financial risk through its participation on Lloyd's Syndicates. It has delegated sole management and control of its underwriting through each Syndicate to the Managing Agent of that Syndicate and it looks to the Managing Agents to implement appropriate policies, procedures and internal controls to manage each Syndicate's exposures to insurance risk, credit risk, market risk, liquidity risk and operational risk. The Company is also directly exposed to these risks, but they are not considered material for the assessment of the assets, liabilities, financial position and profit or loss of the Company. Hedge accounting is not used by the group.

Key Performance Indicators

The directors monitor the performance of the group by reference to the following key performance indicators:

	2020	2019
Capacity (youngest underwriting year) (£)	6,074,494	3,234,547
Gross premium written as a % of capacity	96.6 %	121.8 %
Combined ratio	105.5 %	100.1 %

The combined ratio is the ratio of net claims incurred, commissions and expenses to net premiums earned.

Section 172(1) statement

The directors of the group have a duty to promote the success of the group whilst giving due regard to the interests of stakeholders affected by the group's activities.

With regards to the Lloyd's corporate member subsidiary, the majority of its activites are carried out by the Syndicates in which it participates. The company's subsidiary is not involved directly in the management of the Syndicates' activities, as these are the responsiblity of the relevant managing agent. Each managing agent has a board of directors who are responsible for the activities of each Syndicate, and themselves have a duty towards a range of considerations including (but not limited to) employees, community and environmental matters, standards of business conduct and the long term consequence of decisions.

The group and the Syndicates are required to operate within the guidelines and code of conduct of the Lloyd's market. Behind the Lloyd's market is the Lloyd's Corporation, an independent organisation and regulator that acts to protect and maintain the market's reputation and provides service and original research, reports and analysis to the industry's knowledge base.

The directors ensure supplier invoices are paid on time in line with any agreed terms. The directors work very closely with the members of the group and the members agents to discuss all significant decisions, including the selection of which Syndicates to participate. This ensures the directors act fairly between members of the group.

The company is classed as a low energy user and as such no energy and carbon information has been disclosed in the accounts.

Approved by the Board on 17 December 2021 and signed on its behalf by:

MW Johnson

M W Johnson
Director

INDEPENDENT AUDITORS REPORT
TO THE MEMBERS OF KIRLY LIMITED

Opinion

We have audited the financial statements of Kirly Limited for the year ended 31 December 2020 on pages 9 to 46. 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 parent company's affairs as at 31 December 2020 and of its 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 company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter

We draw attention to note 3 to these financial statements which describes the material uncertainties regarding deferred consideration to be received by a group company. Our opinion is not modified in this respect.

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

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:
- the information given in the Directors' Report and Strategic 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 the light of the knowledge and understanding of the group and parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and the Directors' Report.

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 by the parent company, or returns adequate for 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 remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of the directors
As explained more fully in the Statement of Directors' Responsibilities set out on page 2, 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 and 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 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 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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: http://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud
We obtained an understanding of the company and the laws and regulations that could reasonably be expected to have a direct effect on the financial statements through discussion with the directors and management and the application of our knowledge and experience. We discussed with management whether there were any known or suspected instances of fraud and/or non-compliance with relevant laws and regulations. We also obtained an understanding of the company's accounting systems and internal controls.

We audited the risk of management override of controls, by testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business. Our other audit procedures included, but were not limited to, carrying out detailed substantive testing of a sample of income and expenditure transactions arising in the year and a sample of balance sheet items such as fixed assets, debtors, creditors, etc. We also reviewed the financial statements and checked disclosures to supporting documentation to assess compliance with applicable law and regulation.

Because of the inherent risk of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. The risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements as we will be less likely to become aware of instances of non-compliance. The risk is greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Andrew Robinson (Senior Statutory Auditor)
for and on behalf of Humphrey & Co Audit Services Ltd
Chartered Accountants
Statutory Auditor
Date: 21 December 2021

Humphrey & Co Audit Services Ltd
7 - 9 The Avenue
Eastbourne
East Sussex
BN21 3YA

KIRLY LIMITED

CONSOLIDATED INCOME STATEMENT - TECHNICAL ACCOUNT (GENERAL BUSINESS)
FOR THE YEAR ENDED 31 DECEMBER 2020

	Note	2020 £	2019 £
Gross premiums written	5	**5,868,717**	3,939,831
Outward reinsurance premiums		**(1,363,692)**	(1,002,534)
Net premiums written		**4,505,025**	2,937,297
Change in the provision for unearned premiums			
Gross provision	7	**(682,992)**	6,094
Reinsurers' share	7	**123,864**	61,605
Net change in the provision for unearned premiums		**(559,128)**	67,699
Earned premiums net of reinsurance		**3,945,897**	3,004,996
Allocated investment return transferred from the non-technical account		**107,710**	132,763
Claims paid			
Gross amount		**(2,719,411)**	(2,518,001)
Reinsurers' share		**553,694**	597,043
Net claims paid		**(2,165,717)**	(1,920,958)
Change in provision for claims			
Gross amount	7	**(985,526)**	(47,646)
Reinsurers' share	7	**326,528**	99,618
Net change in provision for claims		**(658,998)**	51,972
Claims incurred net of reinsurance		**(2,824,715)**	(1,868,986)
Changes in other technical provisions, net of reinsurance			
Net operating expenses	9	**(1,339,754)**	(1,138,437)
Balance on technical account for general business		**(110,862)**	130,336

All amounts above relate to continuing operations.

KIRLY LIMITED

CONSOLIDATED INCOME STATEMENT - NON TECHNICAL ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2020

	Note	2020 Total £	as restated 2019 Total £
Balance on the general business technical account		**(110,862)**	130,336
Investment income	8	**2,249,427**	778,172
Realised gain on investments	8	**868,528**	31,983,714
Realised loss on investments	8	**(41,146)**	(23,111)
Unrealised gain on investments	8	**2,404,070**	377,890
Unrealised loss on investments	8	**(530,996)**	(98,254)
Investment expenses and charges	8	**(2,811)**	(3,012)
Allocated investment return transferred to the technical account		**(107,710)**	(132,763)
Other income	10	**1,203,338**	3,145,828
Other charges		**(6,258,744)**	(8,251,417)
(Loss)/Profit on ordinary activities before taxation	11	**(326,906)**	27,907,383
Tax on (loss)/profit on ordinary activities	26	**(531,502)**	(257,416)
(Loss)/Profit for the financial year		**(858,408)**	27,649,967
(Loss)/Profit for the year attributable to			
Non-controlling interests		**(219,778)**	651,728
Owners of the parent company		**(638,630)**	26,998,239
(Loss)/Profit for the financial year		**(858,408)**	27,649,967

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	2020 £	2019 £
(Loss)/Profit for the financial year from continuing operations	**(858,408)**	27,649,967
Other comprehensive income: currency translation differences	**204**	2,937
(Loss)/Profit for the financial year	**(858,204)**	27,652,904
Total comphrensive income for the year attributable to:		
Non-controlling interests	**(219,778)**	651,728
Owners of the parent company	**(638,426)**	27,001,176
(Loss)/Profit for the financial year	**(858,204)**	27,652,904

All amounts above relate to continuing operations.

KIRLY LIMITED

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2020

ASSETS	Note	Syndicate Assets £	Corporate £	2020 Total £	2019 Total £
Intangible fixed assets	15	-	12,560,255	**12,560,255**	17,809,556
Tangible fixed assets	16	-	876,723	**876,723**	1,031,007
Investment properties	17	-	-	-	729,519
Fixed asset investments	19	-	5,025	**5,025**	5,025
Total fixed assets		-	13,442,003	**13,442,003**	19,575,107
Investments					
Financial investments	18	3,268,162	11,435,133	**14,703,295**	8,878,761
Deposits with ceding undertakings		430	-	**430**	637
Total investments		3,268,592	11,435,133	**14,703,725**	8,879,398
Reinsurers' share of technical provisions					
Provision for unearned premiums	7	476,626	-	**476,626**	367,699
Claims outstanding	7	1,005,081	-	**1,005,081**	1,066,648
Other technical provisions		842,999	-	**842,999**	578,009
Total reinsurers' share of technical provisions		2,324,706	-	**2,324,706**	2,012,356
Debtors					
Arising out of direct insurance operations					
Policyholders	20	4	-	**4**	3
Intermediaries	20	880,321	-	**880,321**	835,536
Arising out of reinsurance operations	20	293,970	-	**293,970**	378,144
Other debtors	21	1,916,524	12,555,002	**14,471,526**	11,496,182
Total debtors		3,090,819	12,555,002	**15,645,821**	12,709,865
Other assets					
Stocks	22	-	9,812,977	**9,812,977**	4,635,755
Cash at bank	23	585,570	2,777,115	**3,362,685**	16,288,242
Other		57,928	-	**57,928**	79,798
Total other assets		643,498	12,590,092	**13,233,590**	21,003,795
Prepayments and accrued income					
Accrued interest		7,784	-	**7,784**	7,777
Deferred acquisition costs	7	554,418	-	**554,418**	432,279
Other prepayments and accrued income		30,539	121,060	**151,599**	142,034
Total prepayments and accrued income		592,741	121,060	**713,801**	582,090
Total assets		9,920,356	50,143,290	**60,063,646**	64,762,611

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KIRLY LIMITED

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)
AS AT 31 DECEMBER 2020

	Note	Syndicate Liabilities £	Corporate £	2020 Total £	2019 Total £
Capital and reserves					
Called-up share capital	24	-	1,408	**1,408**	1,408
Share premium account		-	2,491,172	**2,491,172**	2,491,172
Revaluation reserve		-	731,452	**731,452**	731,452
Capital redemption reserve		-	170,119	**170,119**	170,119
Profit and loss account		(510,539)	37,019,975	**36,509,436**	37,022,093
Shareholder's funds attributable to equity interests		(510,539)	40,414,126	**39,903,587**	40,416,244
Non-controlling interest	38	-	(330,453)	**(330,453)**	616,961
Total equity		(510,539)	40,083,673	**39,573,134**	41,033,205
Technical provisions					
Provision for unearned premiums	7	2,309,106	-	**2,309,106**	1,735,615
Claims outstanding - gross amount	7	6,521,581	-	**6,521,581**	6,204,071
Total technical provisions		8,830,687	-	**8,830,687**	7,939,686
Provisions for other risks and charges					
Other provisions	25	1,426	210,000	**211,426**	211,478
Provision for taxation	26	-	508,829	**508,829**	126,862
Total provisions for other risks and charges		1,426	718,829	**720,255**	338,340
Deposits received from reinsurers		77,292	-	**77,292**	118,629
Creditors due within one year					
Arising out of direct insurance operations		137,539	-	**137,539**	138,782
Arising out of reinsurance operations		966,568	-	**966,568**	695,292
Amounts due to credit institutions	31	3,619	-	**3,619**	6,399
Other creditors	27	276,530	1,085,663	**1,362,193**	2,766,439
Total creditors		1,384,256	1,085,663	**2,469,919**	3,606,912
Creditors due after more than one year	28	-	7,935,411	**7,935,411**	11,130,857
Accruals and deferred income					
Other accruals and deferred income		137,234	319,714	**456,948**	594,982
Total liabilities		9,920,356	50,143,290	**60,063,646**	64,762,611

Approved by the Board on 17 December 2021 and signed on its behalf by:

MW Johnson

M W Johnson
Director
Company Registration No. 01151522

KIRLY LIMITED

COMPANY STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2020

	Note	2020 Total £	2019 Total £
Fixed assets			
Tangible assets	16	**2,151**	1,341
Fixed asset investments	19	**38,106,507**	37,546,379
		38,108,658	37,547,720
Current assets			
Debtors	21	**9,567,747**	4,435,546
Cash at bank and in hand		**589,685**	609,698
Financial investments	18	**3,564,318**	3,969,369
		13,721,750	9,014,613
Creditors: amounts falling due within one year			
Trade creditors	27	**-**	(836)
Amounts due to associated undertakings	27	**(32,133,674)**	(21,145,557)
Taxes and social security costs	27	**(9,078)**	(5,417)
Directors' current account	27	**(153,653)**	(324,744)
Other creditors	27	**(1,081,632)**	(1,295,041)
Accruals and deferred income		**(79,872)**	(25,996)
		(33,457,909)	(22,797,591)
Net current assets/(liabilities)		**(19,736,159)**	(13,782,978)
Total assets less current liabilities		**18,372,499**	23,764,742
Creditors: amounts falling due after more than one year	28	**(6,684,035)**	(11,130,857)
Provision for liabilities	26	**-**	-
Net assets		**11,688,464**	12,633,885
Capital and Reserves			
Called up share capital	24	**1,408**	1,408
Share premium account		**2,491,172**	2,491,172
Capital redemption reserve		**170,119**	170,119
Profit and loss account		**9,025,765**	9,971,186
Total shareholders funds		**11,688,464**	12,633,885

No profit and loss account is presented for Kirly Limited, as permitted by section 408 of the Companies Act 2006. The parent company's loss after tax for the financial year was £876,296 (2019: £894,880 profit).

Approved by the Board on 17 December 2021 and signed on its behalf by:

MW Johnson

M W Johnson
Director
Company Registration No. 01151522

KIRLY LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
AS AT 31 DECEMBER 2020

	Note	Called up share capital £	Share premium account £	Revaluation reserve £	Capital redemption reserve £	Retained earnings £	Non-Controlling Interest £	Total £
At 1 January 2019		1,315	1,047,515	2,787,144	170,119	10,204,982	(191,838)	14,019,237
Profit for the financial year		-	-	-	-	26,998,239	-	26,998,239
Other comprehensive income for the year		-	-	-	-	2,937	-	2,937
Dividends paid		-	-	-	-	(184,065)	-	(184,065)
Other movements		93	1,443,657	(2,055,692)	-	-	-	(611,942)
Non-controlling interest	38	-	-	-	-	-	808,799	808,799
At 31 December 2019		**1,408**	**2,491,172**	**731,452**	**170,119**	**37,022,093**	**616,961**	**41,033,205**
At 1 January 2020		1,408	2,491,172	731,452	170,119	37,022,093	616,961	**41,033,205**
Loss for the financial year		-	-	-	-	(638,630)	-	**(638,630)**
Other comprehensive income for the year		-	-	-	-	204	-	**204**
Dividends paid		-	-	-	-	(69,125)	-	**(69,125)**
Other movements				-	-	-	-	**-**
Non-controlling interest	38	-	-	-	-	194,894	(947,414)	**(752,520)**
At 31 December 2020		**1,408**	**2,491,172**	**731,452**	**170,119**	**36,509,436**	**(330,453)**	**39,573,134**

KIRLY LIMITED

COMPANY STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
AS AT 31 DECEMBER 2020

	Called up share capital	Share premium account	Revaluation reserve	Capital redemption reserve	Retained earnings	Total
	£	£	£	£	£	£
At 1 January 2019	1,315	1,047,515	2,055,692	170,119	9,260,371	12,535,012
Profit for the financial year	-	-	-	-	894,880	894,880
Dividends paid	-	-	-	-	(184,065)	(184,065)
Other movements	93	1,443,657	(2,055,692)	-	-	(611,942)
At 31 December 2019	1,408	2,491,172	-	170,119	9,971,186	12,633,885
At 1 January 2020	1,408	2,491,172	-	170,119	9,971,186	**12,633,885**
Loss for the financial year	-	-	-	-	(876,296)	**(876,296)**
Dividends paid	-	-	-	-	(69,125)	**(69,125)**
Other movements	-	-	-	-	-	**-**
At 31 December 2020	**1,408**	**2,491,172**	**-**	**170,119**	**9,025,765**	**11,688,464**

KIRLY LIMITED

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2020

	Note	2020 £	2019 £
Cash outflow from operating activities	32	**(7,712,926)**	(365,702)
Interest received		**1,002,286**	477,228
Interest paid		**(634,612)**	(318,712)
UK corporation tax paid		**(401,237)**	(151,599)
Foreign tax paid		**(116)**	(120)
Net cash outflow from operating activities		**(7,746,605)**	(358,905)
Cash (outflow)/inflow from investing activities			
Purchase of syndicate participation rights		**-**	(207,963)
Proceeds from sale of syndicate participation rights		**-**	205,713
Purchase of tangible fixed assets		**(17,028)**	(28,410)
Proceeds on disposal of tangible fixed assets		**-**	120
Purchase of fixed asset investments		**(832,251)**	(15,491,595)
Proceeds from sale of fixed asset investments		**-**	29,406,595
Purchase of current asset investments		**(5,075,899)**	(1,085,693)
Proceeds from sale of current asset investments		**2,060,715**	12,270
Cash acquired on investment		**-**	2,641,715
Loans made		**(4,446,822)**	(2,508,772)
Dividends received		**1,625,818**	391,034
Dividends paid to non-controlling interests		**-**	(99,415)
Net cash (outflow)/inflow from investing activities		**(6,685,467)**	13,235,599
Cash inflow/(outflow) from financing			
Funds lent to the group by the company's shareholders		**290,576**	28,028
Repayment of borrowings		**(100,000)**	-
Proceeds from borrowings		**1,201,376**	-
Proceeds from bank loans		**50,000**	-
Proceeds from issue of shares in subsidiary undertaking		**56,493**	-
Dividends paid to the company's shareholders		**(69,125)**	(184,065)
Net cash inflow/(outflow) from financing		**1,429,320**	(156,037)
(Decrease)/Increase in cash		**(13,002,752)**	12,720,657
Net funds at 1 January		**15,781,201**	3,067,439
(Decrease)/Increase in cash in the year		**(13,002,752)**	12,720,657
Effect of foreign exchange rates		**(1,334)**	(6,895)
Net funds at 31 December		**2,777,115**	15,781,201

The Company has no control over the disposition of assets and liabilities at Lloyd's. Consequently, the Cash Flow Statement is prepared reflecting only the movement in corporate funds, which includes transfers to and from the Syndicates at Lloyd's.

1 General Information

The Company is a private company limited by shares that was incorporated in England and Wales and whose registered office and number is given on page one of these financial statements. The principal activitiy of the Company is that of consultancy and holding investments in group and other undertakings.

2 Accounting policies

2.1 Basis of preparation

The financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", FRS 103 "Insurance Contracts", the Companies Act 2006 and Regulation 6 of Schedule 3 to the Large and Medium Sized Companies and Groups (Accounts and Reports) Regulations 2008, relating to insurance.

The directors do not consider the Company to be a financial institution under FRS 102.

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

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

2.2 Basis of consolidation

The amounts shown in the column to the balance sheet headed 'corporate' consolidate the accounts of Kirly Limited and its subsidiary undertakings. The amounts shown in the column to the balance sheet headed 'total' consolidate the accounts of Kirly Limited and its subsidiary undertakings and a pro rata share of the assets and liabilities of the syndicates on which they participate.

No profit and loss account is presented for Kirly Limited, as permitted by section 408 of the Companies Act 2006.

Business combinations

Acquisitions of subsidiaries and businesses are accounted for using the purchase method. The cost of the business combination is measured at the aggregate of the fair values (at the date of exchange) of assets given, liabilities incurred or assumed, and equity instruments issued by the group in exchange for control of the acquiree plus costs directly attributable to the business combination.

Any excess of the cost of the business combination over the acquirer's interest in the net fair value of the identifiable assets and liabilities is recognised as goodwill. If the net fair value of identifiable assets and liabilities exceeds the cost of the business combination the excess is recognised separately on the face of the consolidated statement of financial position immediately below goodwill.

Investment in subsidiaries

The consolidated financial statements incorporate the financial statements of the company and entities controlled by the group (its subsidiaries). Control is achieved where the group has power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

The results of subsidiaries acquired or disposed of during the year are included in total comprehensive income from the effective date of acquisition and up to the effective date of disposal, as appropriate using accounting policies consistent with those of the parent. All intra-group transactions, balances, income and expenses are eliminated in full on consolidation.

Investments in subsidiaries are accounted for at cost less impairment in the individual financial statements.

Investment in associates

Investments in associates are recognised initially in the consolidated statement of financial position at the transaction price and subsequently adjusted to reflect fair value through the profit and loss account. Fair value of investments is calculated by reference first to recent trades and then via NAV or PER values.

Any excess of the cost of acquisition over the group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities of the associate recognised at the date of acquisition, although treated as goodwill, is presented as part of the investment in the associate. Amortisation is charged so as to allocate the cost of goodwill over its estimated useful life, using the straight-line method. Losses in excess of the carrying amount of an investment in an associate are recorded as a provision only when the company has incurred legal or constructive obligations or has made payments on behalf of the associate.

Investments in associates are accounted for fair value through profit and loss in the individual financial statements.

2.3 Basis of accounting

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value.

The technical account has been prepared on an annual basis of accounting, whereby the incurred cost of claims, commission and related expenses are charged against the earned proportion of premiums net of re-insurance. Amounts reported in the technical account relate to movements in the period in respect of all relevant years of account of the Syndicates on which the company participates.

Accounting information in respect of the Syndicate participations has been provided by the Syndicate managing agents through an information exchange facility operated by Lloyd's and has been reported on by the Syndicate auditors.

Assets and liabilities arising as a result of the underwriting activities are mainly controlled by the Syndicates' managing agents and are shown separately on the Balance Sheet as "Syndicate Assets" and "Syndicate Liabilities". The assets are held subject to trust deeds for the benefit of the Syndicates' insurance creditors.

In continuing to apply the going concern basis to this Group's Financial Statements the following factors have been taken into account: the likely timing of any underwriting and non-underwriting cash flows, any Funds at Lloyd's supporting the Group's underwriting and not reflected in the Group's Statement of Financial Position and the continued support of the Directors and Shareholders including the potential deferral of balances due to them.

General business

i Premiums

Gross premiums are accounted for in the period in which the risk commences, together with adjustments to premiums written in previous accounting periods. Future premiums relating to risks commencing in the period are based upon estimates made by the Syndicates' management. Other adjustments are accounted for as arising.

ii Unearned premiums

Written premium is earned according to the risk profile of the policy. Unearned premiums represent the proportion of premiums written in the year that relate to unexpired terms of policies in force at the statement of financial position date, calculated on a time apportionment basis having regard where appropriate, to the incidence of risk. The specific basis adopted by each Syndicate is determined by the relevant managing agent.

iii Deferred acquisition costs

Acquisition costs, which represent commission and other related expenses, are deferred over the period in which the related premiums are earned.

iv Reinsurance premiums

Reinsurance premium costs are allocated by the Managing Agent of each Syndicate to reflect the protection arranged in respect of the business written and earned.

v Claims

Provision is made for the estimated cost of claims outstanding at the end of the year, including those incurred but not reported at that date, and for the related cost of settlement. Claims incurred comprise amounts paid or provided in respect of claims occurring during the current year, together with the amount by which settlement or reassessment of claims from previous years differs from the provision at the beginning of the year.

The claims provision determined by the managing agent will have been based on information that was currently available at the time. However, the ultimate liability will vary as a result of subsequent information and events and this may result in significant adjustments to the amounts provided and will be reflected in the financial statements for the period in which the adjustment is made.

vi Closed years of account

At the end of the third year, the underwriting account is normally closed by reinsurance into the following year of account. The amount of the reinsurance to close premium payable is determined by the managing agent, generally by estimating the cost of claims notified but not settled at 31 December, together with the estimated cost of claims incurred but not reported at that date, and an estimate of future claims handling costs.

Any subsequent variation in the ultimate liabilities of the closed year of account is borne by the underwriting year into which it is reinsured.

The payment of a reinsurance to close premium does not eliminate the liability of the closed year for outstanding claims. If the reinsuring Syndicate was unable to meet its obligations, and the other elements of Lloyd's chain of security were to fail, then the closed underwriting account would have to settle outstanding claims.

The Directors consider that the likelihood of such a failure of the reinsurance to close is extremely remote, and consequently the reinsurance to close has been deemed to settle the liabilities outstanding at the closure of an underwriting account. The company has included its share of the reinsurance to close premiums payable as technical provisions at the end of the current period, and no further provision is made for any potential variation in the ultimate liability of that year of account.

vii Run-off years of account

Where an underwriting year of account is not closed at the end of the third year (a "run-off" year of account) a provision is made for the estimated cost of all known and unknown outstanding liabilities of that year. The provision is determined initially by the managing agent on a similar basis to the reinsurance to close. However, any subsequent variation in the ultimate liabilities for that year remains with the corporate member participating therein. As a result any run-off year will continue to report movements in its results after the third year until such time as it secures a reinsurance to close.

viii Investments and allocated investment income

In accordance with Lloyd's current accounting practice, investments are stated at market value, including accrued interest at the financial reporting date. Investment income is included in the General Business Technical Account reflecting that earned on the investment portfolio managed by the Syndicates. The allocated investment income therefore comprises income received and investment profits and losses arising in the calendar year including appreciation/depreciation and accrued interest consequent upon the revaluation of investments at 31 December. All gains and losses on investments are treated as realised at the financial reporting date.

ix Financial assets and financial liabilities

The syndicates' investments comprise of debt and equity investments, derivatives, cash and cash equivalents and loans and receivables.

ix Financial assets and financial liabilities (continued)

Debtors/creditors arising from insurance/reinsurance operations shown in the Statement of Financial Position include the totals of all the syndicate's outstanding debit and credit transactions as processed by the Lloyd's central facility. No account has been taken of any offsets which may be applicable in calculating the net amounts due between the syndicates and each of their counterparty insureds, reinsurers or intermediaries as appropriate.

Recognition

Financial assets and liabilities are recognised when the syndicate becomes party to the contractual provisions of the instrument. Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the syndicate after deducting all of its liabilities.

Initial measurement

All financial assets and liabilities are initially measured at transaction price (including transaction cost), except for those financial assets classified as at fair value through the income statement, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a finance transaction, the financial asset or liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Subsequent measurement

Non-current debt instruments are subsequently measured at amortised cost using the effective interest rate method.

Debt instruments that are classified as payable or receivable within one financial year and which meet the above conditions are measured at the undiscounted amount of the cash or other consideration expected to be paid or received.

Other debt instruments are measured at fair value through the income statement.

Derecognition of financial assets and liabilities

Financial assets are derecognised when and only when a) the contractual rights of the cash flow from the financial asset expire or are settled, b) the syndicates transfer to another party substantially all of the risks and rewards of ownership of the financial asset or c) the syndicates, despite having retained some significant risks and rewards of ownership, have transferred control of the asset to another party and the other party has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without needing to impose additional restrictions on the transfer.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

Fair value measurement

The best evidence of fair value is a quoted price for an identical asset in an active market. When quoted prices are unavailable, the price of a recent transaction for an identical asset provides evidence of fair value as long as there has not been a significant change in economic circumstances or a significant lapse in time since the transaction took place. If the market is not active and recent transactions of an identical asset on their own are not a good estimate of fair value, the syndicates estimate the fair value by using a valuation technique.

Impairment of financial instruments measured at amortised cost or cost

For financial assets carried at amortised cost, the amount of an impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate, i.e. using the effective interest rate method.

For financial assets carried at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that would be received for the asset if it were to be sold at the reporting date.

ix Financial assets and financial liabilities (continued)

Where indicators exist for a decrease in impairment loss, and the decrease can be related objectively to an event occurring after the impairment was recognised, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired financial asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised. The amount of the reversal is recognised in the income statement immediately.

x Basis of currency translation

Syndicates maintain separate funds in Sterling, United States and Canadian dollars, and may also do so in certain other currencies. All transactions where separate currencies are maintained are translated into Sterling at the rates of exchange ruling at the financial reporting date. Transactions during the period in other overseas currencies are expressed in Sterling at the rates ruling at the transaction date.

Monetary assets and liabilities, which according to FRS 103 are deemed to include unearned premiums and deferred acquisition costs, are translated into Sterling at the rates of exchange at the financial reporting date.

Any non-monetary items are translated into the functional currency using the rate of exchange prevailing at the time of the transaction. FRS 103 states that insurance assets and liabilities (unearned premiums and deferred acquisition costs) are required to be treated as monetary items. These assets and liabilities have been translated at the period end to the functional currency at the closing rate.

xi Debtors/creditors arising from insurance/reinsurance operations

The amounts shown in the Statement of Financial Position include the totals of all the Syndicates outstanding debit and credit transactions. No account has been taken of any offsets which may be applicable in calculating the net amounts due between the Syndicates and each of their counterparty insurers, reinsurers or intermediaries as appropriate.

xii Distribution of profits and collection of losses

Lloyd's operates a detailed set of regulations regarding solvency and the distribution of profits and payment of losses between Syndicates and their members. Lloyd's continues to require membership of Syndicates to be on an underwriting year of account basis and profits and losses belong to members according to their membership of a year of account. Normally profits and losses are transferred between the Syndicate and members after results for a year of account are finalised after 36 months. This period may be extended if a year of account goes into run-off. The Syndicate may make earlier on account distributions or cash calls according to the cash flow of a particular year of account and subject to Lloyd's requirements.

2.4 Reinsurance at corporate level

Where considered applicable by the Directors, the company may purchase additional reinsurance to that purchased through the syndicates. Any such reinsurance premiums and related reinsurance recoveries are treated in the same manner as described for syndicates in Note 2.1 (iv) and (v).

2.5 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

The group is taxed on its results including its share of underwriting results declared by the syndicates and these are deemed to accrue over the calendar year in which they are declared. The syndicate results included in these financial statements are only declared for tax purposes in the calendar year following the normal closure of the year of account. No provision is made for corporation tax in relation to open years of account. However, full provision is made for deferred tax on underwriting results not subject to current corporation tax.

HM Revenue & Customs agrees the taxable results of the syndicates at a syndicate level on the basis of computations submitted by the managing agent. At the date of the approval of these financial statements the syndicate taxable results of years of account closed at this and previous year ends may not be fully agreed with HM Revenue & Customs. Any adjustments that may be necessary to the tax provisions established by the Group and Parent Company, as a result of HM Revenue & Customs agreement of syndicate results, will be reflected in the financial statements of subsequent periods.

2.6 Deferred taxation

Deferred tax is provided in full on timing differences which result in an obligation at the financial reporting date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities have not been discounted.

2.7 Intangible assets

Costs incurred by the Group in the Corporation of Lloyd's auctions in order to acquire rights to participate on Syndicates' underwriting years are included within intangible assets and amortised over a 3 to 5 year period beginning with the respective year of Syndicate participation. The intangible assets are reviewed for impairment where there are indicators for impairment and any impairment is charged to the income statement for the period.

Goodwill represents the excess of the cost of acquisition of businesses over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite useful life and is amortised on a systematic basis over its expected life, which is 5 years.

2.8 Current asset investments

Current asset investments held directly by the Group and Company, by trustees of the Premium Trust Fund, or as the Lloyd's Deposit, are stated at fair value.

2.9 Cash and cash equivalents

Cash and cash equivalents include deposits held at call with banks, other short-term liquid investments with original maturities of three months or less and cash in hand.

2.10 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

Rental income is recognised in respect of the period to which it relates.

Dividend income from investments is recognised when the shareholder's right to receive payment has been established.

Interest income is recognised when it is probable that the economic benefits will flow to the company and the amount of revenue can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and the effective interest rate applicable.

2.11 Tangible fixed assets

Tangible fixed assets are stated at cost or valuation less depreciation. Depreciation is provided at rates calculated to write off the cost or valuation less estimated residual value of each asset over its expected useful life, as follows:

Freehold land	No depreciation
Fixtures, fittings & equipment	25% straight line
Plant & machinery	10% straight line

2.12 Going concern

At the time of approving the financial statements the directors have a reasonable expectation that the company and group has adequate resources to continue in operational existance for the foreseeable future. The directors have considered the expected impact of the ongoing Covid-19 pandemic in making their assessment and details of this impact have been included in the Strategic Report. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

2.13 Stocks

Property held for development is stated at the lower of direct cost and net realisable value. Direct costs include acquisition fees and taxes, contractors' costs, associated professional charges and other attributable overheads. Net realisable value is assessed by estimating selling prices and further costs to completion, including sales and marketing expenses.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

3 Key accounting judgements and estimation uncertainties

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. These judgements, estimates and assumptions are based on the best and 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.

The measurement of the provision for claims outstanding is the most significant judgement involving estimation uncertainty regarding amounts recognised in these financial statements in relation to underwriting by the syndicates and this is disclosed further in Note 4.

The management and control of each Syndicate is carried out by the managing agent of that Syndicate, and the Group looks to the managing agent to implement appropriate policies, procedures and internal controls to manage each Syndicate.

The key accounting judgements and sources of estimation uncertainty set out below therefore relate to those made in respect of the Group only, and do not include estimates and judgements made in respect of the Syndicates.

Critical Judgements

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

i Assessing indicators of impairment

In assessing whether there have been any indicators of impairment of assets, the directors consider both external and internal sources of information such as market conditions, counterparty credit ratings and experience of recoverability. There have been no indicators of impairments identified during the current financial year, other than to the company's investments in subsidiaries as noted in the Key Sources of Estimation Uncertainty.

ii Property held for development

Properties held by the group with carrying value £9,812,977 (note 22) have been treated as stock as the directors consider that they can practicably be sold at any time, and that rental income receivable is incidental to the group's primary objective to develop and sell the properties. Similar properties have been sold by the group on this basis in prior years. These properties are therefore held at the lower of cost and net realisable value, rather than at fair value through profit or loss.

During 2020, a property previously held as investment property (note 17) with carrying value £729,519, plus £120,481 of associated fixtures and fittings (note 16), was reclassified to stock after an intra-group transfer.

3 Key accounting judgements and estimation uncertainties (continued)

Key Sources of Estimation Uncertainty

The estimates and assumptions which have a signifcant risk of causing a material adjustments to the carrying amount of assets and liabilities are as follows.

i **Purchased syndicate capacity**
Estimating value in use:
Where an indication of impairment of capacity values exists, the directors will carry out an impairment review to determine the recoverable amount, which is the higher of fair value less cost to sell and value in use. The value in use calculation requires an estimate of the future cash flows expected to arise from the capacity and a suitable discount rate in order to calculate present value.

Determining the useful life of purchased syndicate capacity:
The assessed useful life of syndicate capacity is 3 to 5 years. This is on the basis that this is the life over which the original value of the capacity is used up.

ii **Recoverability of debtors**
The Group establishes a provision for debtors that are estimated not to be recoverable. When assessing recoverability, factors such as the ageing of the debtors, past experience of recoverability, and the credit profile of individual groups of customers are all considered.

iii **Loan notes**
In 2019 Kirly Limited acquired a controlling interest in Kirly Group Holdings Ltd. The total consideration for the purchase included £13,972,652 in loan notes issued. Terms and conditions of the loans are detailed in note 28. During the year, an adjustment to the total purchase cost of £655,994 was included as the consideration for some loan notes was reduced in exchange for early repayment. This reduced the company's investment in subsidiary (note 19) and the group's goodwill on acquisition (note 15). The directors consider no further adjustments necessary at the balance sheet date in respect of any future repayments.

iv **Deferred consideration**
In 2019 Kirly Group Holdings Ltd disposed of its investment in NW Brown and Co Ltd. Under the terms of the Sale and Purchase Agreement (SPA) the company received initial consideration and additional consideration at a subsequent date. The additional consideration was agreed to be such sum as is equal to 0.75% of the Completion Assets Under Management (AUM) as derived from the AUM Report or the Revised Completion AUM but in any event capped at £10,000,000. The balance is subject to deductions as detailed within the SPA agreement prior to payment.

On the completion date of the sale the directors calculated estimated deferred consideration, based on available information and their knowledge of the industry, to be £4,812,800. This was included in the accounts for the period ended 31 December 2019, discounted to the present value using a rate of 1.75%.

The calculation is based on estimations of future events and is subject to a high degree of uncertainty. Six-monthly reports are provided to the directors from the purchasers detailing the potential deferred consideration and the directors have reviewed these against their original calculation and consider it to remain appropriate.

The deferred consideration should have been settled within two weeks of 30 September 2021, subject to the agreement of the AUM. If the AUM is disputed the settlement will be made in February 2022. Following the year end the AUM figures are in dispute and the matter, at the time of completion of the accounts, has not been resolved.

v **Impairment of investment in subsidiary**
The company recognised an impairment loss of £470,248 during the period in respect of its investment in Freedom Insurance Services Limited (note 19). The directors consider this to be a prudent estimate, and anticipate that the impairment could reverse in the company's accounts as soon as the year ended 31 December 2022, should the subsidiary undertaking return to profitability.

4 Risk management

This section summarises the financial and insurance risks the Company and group is exposed to either directly at its own corporate level or indirectly via its participation in the Lloyd's syndicates.

Risk background
The syndicate's activities expose it to a variety of financial and non-financial risks. The managing agent is responsible for managing the syndicate's exposure to these risks and, where possible, introducing controls and procedures that mitigate the effects of the exposure to risk. Each year, the managing agent prepares a Lloyd's Capital Return ("LCR") for the syndicate, the purpose of this being to agree capital requirements with Lloyd's based on an agreed assessment of the risks impacting the syndicate's business, and the measures in place to manage and mitigate those risks from a quantitative and qualitative perspective. The risks described below are typically reflected in the LCR, and, typically, the majority of the total assessed value of the risks concerned is attributable to insurance risk.

The insurance risks faced by a syndicate include the occurrence of catastrophic events, downward pressure on pricing of risks, reductions in business volumes and the risk of inadequate reserving. Reinsurance risks arise from the risk that the reinsurer fails to meet their share of a claim. The management of the syndicate's funds is exposed to risks of investments, liquidity, currency and interest rates leading to financial loss. The syndicate is also exposed to regulatory and operational risks including its ability to continue to trade. However, supervision by Lloyd's provides additional controls over the syndicate's management of risks.

The group manages the risks faced by the syndicates on which it participates by monitoring the performance of the syndicates it supports. This commences in advance of committing to support a syndicate for the following year, with a review of the business plan prepared for each syndicate by its managing agent. In addition, quarterly reports and annual accounts together with any other information made available by the managing agent are monitored and if necessary enquired into. If the group considers that the risks being run by the syndicate are excessive it will seek confirmation from the managing agent that adequate management of the risk is in place and, if considered appropriate, will withdraw from the next underwriting year. The group relies on advice provided by the members' agent which acts for it, who are specialists in assessing the performance and risk profiles of syndicates. The group also mitigates its risks by participating across several syndicates.

The Directors do not consider any members of the group to be a financial institution under FRS 102, on the basis that the group itself does not undertake the business of effecting or carrying out insurance contracts. Therefore there is no requirement to discuss financial risks arising from syndicate investment activities. The analysis below provides details of the financial risks the group is exposed to from syndicate insurance activities as required by FRS 103.

Syndicate risks

i Liquidity risk

The syndicates are exposed to daily calls on their available cash resources, principally from claims arising from its insurance business. Liquidity risk arises where cash may not be available to pay obligations when due, or to ensure compliance with the syndicate's obligations under the various trust deeds to which it is party.

The syndicates aim to manage their liquidity position so that they can fund claims arising from significant catastrophic events, as modelled in their Lloyd's realistic disaster scenarios ("RDS").

ii **Credit risk**

Credit ratings to syndicate assets emerging directly from insurance activities, excluding cash at bank and financial investments, which are neither past due nor impaired are as follows:

2020	AAA £	AA £	A £	BBB or lower £	Not rated £	Total £
Deposits with ceding undertakings	-	-	-	-	430	**430**
Reinsurers share of claims outstanding	22,212	445,648	1,213,503	11,616	155,720	**1,848,699**
Reinsurance debtors	186	9,561	46,533	3,180	18,985	**78,445**
Insurance debtors	276	1,323	47,249	288	730,501	**779,637**
Total	22,674	456,532	1,307,285	15,084	905,636	**2,707,211**
2019	**£**	**£**	**£**	**£**	**£**	**£**
Deposits with ceding undertakings	-	-	-	-	636	636
Reinsurers share of claims outstanding	27,714	326,955	1,147,942	777	137,989	1,641,377
Reinsurance debtors	275	6,704	39,475	671	42,100	89,225
Insurance debtors	330	1,235	34,930	4,626	612,234	653,355
Total	28,319	334,894	1,222,347	6,074	792,959	2,384,593

Syndicate assets emerging directly from insurance activities, excluding cash at bank and financial investments, past their due date or impaired are as follows:

2020	Less than 3 months £	Between 3 and 6 months £	Between 6 months and 1 year £	Greater than 1 year £	Impaired £	Total past due or impaired £
Deposits with ceding undertakings	-	-	-	-	-	-
Reinsurers share of claims outstanding	-	-	-	-	(620)	**(620)**
Reinsurance debtors	60,604	29,096	8,068	3,979	(9)	**101,738**
Insurance debtors	53,896	18,604	28,734	16,470	(489)	**117,215**
Total	114,500	47,700	36,802	20,449	(1,118)	**218,333**
2019	**£**	**£**	**£**	**£**	**£**	**£**
Deposits with ceding undertakings	-	-	-	-	-	-
Reinsurers share of claims outstanding	-	-	-	-	(273)	(273)
Reinsurance debtors	49,639	24,664	4,584	5,125	(11)	84,001
Insurance debtors	43,616	29,929	14,862	13,880	(551)	101,736
Total	93,255	54,593	19,446	19,005	(835)	185,464

iii **Interest rate and equity price risk**

Interest rate risk and equity price risk is the risk that the fair value of future cash flows of financial instruments will fluctuate because of changes in market interest rates and market prices respectively.

iv **Currency risk**

The syndicates' main exposure to foreign currency risk arises from insurance business originating overseas, primarily denominated in US dollars. Transactions denominated in US dollars form a significant part of the syndicates' operations. This risk is, in part, mitigated by the syndicates maintaining financial assets denominated in US dollars against its major exposures in that currency.

The tables below provides details of syndicate assets and liabilities by currency:

	GBP £ converted	USD £ converted	EUR £ converted	CAD £ converted	Other £ converted	Total £ converted
2020						
Total assets	1,825,329	6,874,946	328,956	577,320	313,805	**9,920,356**
Total liabilities	(2,320,194)	(7,005,622)	(332,967)	(450,079)	(322,033)	**(10,430,895)**
Surplus/(deficiency) of assets	(494,865)	(130,676)	(4,011)	127,241	(8,228)	**(510,539)**
2019						
Total assets	1,405,401	5,909,155	352,277	497,056	218,745	8,382,634
Total liabilities	(2,134,874)	(5,961,076)	(361,968)	(404,882)	(395,679)	(9,258,479)
Surplus/(deficiency) of assets	(729,473)	(51,921)	(9,691)	92,174	(176,934)	(875,845)

Company and group risks

i **Investment, credit, liquidity and currency risks**

The significant risks faced by the group are with regard to the investment of the available funds within its own custody. The elements of these risks are investment risk, credit risk, liquidity risk, currency risk and interest rate risk. The main liquidity risk would arise if a syndicate had inadequate liquid resources for a large claim and sought funds from the group to meet the claim. In order to minimise investment, credit and liquidity risk the group's funds are invested in readily realisable short term deposits. The syndicates can distribute their results in Pound Sterling, US Dollars or a combination of the two. The group is exposed to movements in the US Dollar between the Statement of Financial Position date and the distribution of the underwriting profits and losses, which is usually in the May following the closure of the year of account. The group does not use derivative instruments to manage risk and, as such, no hedge accounting is applied.

ii **Regulatory risks**

The subsidiaries are subject to continuing approval by Lloyd's to be a member of a Lloyd's syndicate. The risk of this approval being removed is mitigated by monitoring and fully complying with all requirements in relation to membership of Lloyd's. The capital requirements to support the proposed amount of syndicate capacity for future years are subject to the requirements of Lloyd's. A variety of factors are taken into account by Lloyd's in setting these requirements including market conditions and syndicate performance and although the process is intended to be fair and reasonable, the requirements can fluctuate from one year to the next, which may constrain the volume of underwriting the group is able to support.

iii **Operational risks**

As there are relatively few transactions actually undertaken by the group there are only limited systems and operational requirements of the group and therefore operational risks are not considered to be significant. Close involvement of all Directors in the group's key decision making and the fact that the majority of the group's operations are conducted by syndicates, provides control over any remaining operational risks.

5 **Class of business**

	Gross written premiums	Gross premiums earned	Gross claims incurred	Operating expenses	Reinsurance balance
2020	£	£	£	£	£
Direct					
Accident and health	97,311	98,910	(89,526)	(31,616)	(2,544)
Motor - third party liability	44,702	36,410	(29,251)	(7,384)	(2,939)
Motor - other classes	811,893	667,990	(441,724)	(199,102)	11,784
Marine, aviation and transport	322,889	324,377	(184,523)	(95,617)	(8,062)
Fire and other damage to property	927,897	907,660	(756,693)	(269,651)	36,951
Third party liability	585,123	548,548	(361,350)	(149,693)	(62,248)
Credit and suretyship	78,789	76,408	(144,408)	(16,845)	15,709
Other	28,779	25,680	(15,142)	(8,824)	(1,115)
Total direct	2,897,383	2,685,983	(2,022,617)	(778,732)	(12,464)
Reinsurance business					
Reinsurance balance	2,971,334	2,499,742	(1,682,320)	(561,022)	(347,142)
Total	5,868,717	5,185,725	(3,704,937)	(1,339,754)	(359,606)

	Gross written premiums	Gross premiums earned	Gross claims incurred	Operating expenses	Reinsurance balance
2019	£	£	£	£	£
Direct					
Accident and health	84,997	99,676	(59,313)	(41,116)	(4,972)
Motor - third party liability	29,617	25,303	(18,360)	(7,376)	(513)
Motor - other classes	517,974	434,650	(285,839)	(133,308)	(9,855)
Marine, aviation and transport	278,625	355,907	(194,958)	(126,375)	(31,273)
Fire and other damage to property	985,722	1,004,965	(627,875)	(298,576)	(119,157)
Third party liability	649,851	632,884	(432,790)	(207,408)	(12,310)
Credit and suretyship	86,565	101,758	(73,950)	(24,500)	9,466
Other	19,701	15,888	(10,559)	(6,543)	(299)
Total direct	2,653,052	2,671,031	(1,703,644)	(845,202)	(168,913)
Reinsurance business					
Reinsurance balance	1,286,779	1,274,894	(862,003)	(293,235)	(75,355)
Total	3,939,831	3,945,925	(2,565,647)	(1,138,437)	(244,268)

Any open year loss provisions, stop loss premiums and stop loss recoveries have been allocated across the classes of business by reference to the gross premiums written.

6 Geographical analysis

	2020	2019
	£	£
Direct gross premiums written in:		
United Kingdom	**2,897,301**	2,653,052
Other EU member states	**82**	-
The rest of the world	**-**	-
Total	**2,897,383**	2,653,052

The majority of our business written at Lloyd's emanates from the United States or is worldwide business denominated in US dollars.

7 Technical provisions

Movement in claims outstanding

	Gross	Reinsurance	2020 Net	Gross	Reinsurance	2019 Net
	£	£	£	£	£	£
At 1 January	**(6,204,071)**	**1,066,648**	**(5,137,423)**	(5,792,544)	943,111	(4,849,433)
Movement in technical account	**(985,526)**	**326,528**	**(658,998)**	(47,646)	99,618	51,972
Other movements	**668,016**	**(388,095)**	**279,921**	(363,881)	23,919	(339,962)
At 31 December	**(6,521,581)**	**1,005,081**	**(5,516,500)**	(6,204,071)	1,066,648	(5,137,423)

Movement in unearned premiums

	Gross	Reinsurance	2020 Net	Gross	Reinsurance	2019 Net
	£	£	£	£	£	£
At 1 January	**(1,735,615)**	**367,699**	**(1,367,916)**	(1,584,794)	284,329	(1,300,465)
Movement in technical account	**(682,992)**	**123,864**	**(559,128)**	6,094	61,605	67,699
Other movements	**109,501**	**(14,937)**	**94,564**	(156,915)	21,765	(135,150)
At 31 December	**(2,309,106)**	**476,626**	**(1,832,480)**	(1,735,615)	367,699	(1,367,916)

Movement in deferred acquisition costs

	2020 Net	2019 Net
	£	£
At 1 January	**432,279**	424,017
Movement in deferred acquisition costs	**205,985**	(40,836)
Other movements	**(83,846)**	49,098
At 31 December	**554,418**	432,279

Included within other movements are foreign exchange movements in restating the opening balances and the effect of prior years' technical provisions being reinsured to close, to the extent where the group's syndicate participation portfolio has changed between those two years of account.

7 Technical provisions (continued)

Assumptions, changes in assumptions and sensitivity
The majority of the risks to the group's future cash flows arise from its participation in the results of Lloyd's syndicates and are mostly managed by the managing agents of the syndicates. The group's role in managing these risks, in conjunction with the group's members' agent, is limited to a selection of syndicate participations and monitoring the performance of the syndicates and their managing agents.

The amounts carried by the group arising from insurance contracts are calculated by the managing agents of the syndicates and derived from accounting information provided by the managing agents and reported upon by the syndicate auditors.

The key assumptions underlying the amounts carried by the group arising from insurance contracts are:

i The net premiums written calculated by the managing agent are an accurate assessment of the premiums payable as a result of the risks contractually committed to up to the financial reporting date.

ii The net unearned premiums calculated by the managing agent are an accurate assessment of the net premiums written that reflect the exposure to risks arising after the financial reporting date, including appropriate allowance for anticipated losses in excess of the unearned premium.

iii The claims reserves calculated by the managing agents are an accurate assessment of the ultimate liabilities in respect of claims relating to events up to the financial reporting date.

iv The potential ultimate result of run-off year results has been accurately estimated by the managing agents.

v The values of investments and other assets and liabilities are correctly stated at their realisable values at the financial reporting date.

There have been no changes to these assumptions in 2020.

The amounts carried by the group arising from insurance contracts are sensitive to various factors as follows:

i A 5% increase/decrease in net earned premium (with claims incurred assumed to change pro-rata with premium) will increase/decrease the group's pre-tax profit/loss by £56,059 (2019: £56,801).

ii A 5% increase/decrease in the managing agents' calculation of gross claims reserves will decrease/increase the group's pre-tax profit/loss by £326,079 (2019: £310,204).

iii A 5% increase/decrease in the managing agents' calculation of net claims reserves will decrease/increase the group's pre-tax profit/loss by £275,825 (2019: £256,871).

Claims development - gross		**At end of underwriting year**	**After 12 months**	**After 24 months**	**After 36 months**	**Profit/loss on RITC received**
		£	**£**	**£**	**£**	**£**
Underwriting pure year						
	2020	**2,208,658**	**-**	**-**	**-**	**-**
	2019	**1,007,428**	**1,983,379**	**-**	**-**	**-**
	2018	**1,544,941**	**2,720,177**	**2,912,878**	**-**	**-**

7 Technical provisions (continued)

Claims development - net	At end of underwriting year £	After 12 months £	After 24 months £	After 36 months £	Profit/loss on RITC received £
Underwriting pure year					
2020	**1,720,783**	**-**	**-**	**-**	**-**
2019	**702,471**	**1,419,760**	**-**	**-**	**-**
2018	**1,169,584**	**2,070,035**	**2,179,225**	**-**	**-**

8 Investment return

The following return on investments relate to investments held at fair value:

	2020 £	as restated 2019 £
Investment income	**65,382**	125,051
Dividend income	**1,626,593**	193,542
Interest on cash at bank	**8,843**	11,157
Other interest and similar income	**548,609**	448,422
Investment income	**2,249,427**	778,172
Realised gain on investments	**868,528**	31,983,714
Realised loss on investments	**(41,146)**	(23,111)
Unrealised gain on investments	**2,404,070**	377,890
Unrealised loss on investments	**(530,996)**	(98,254)
Total investment income	**4,949,883**	33,018,411
Investment expenses and charges	**(2,811)**	(3,012)
Total investment return	**4,947,072**	33,015,399

9 Net operating expenses

	2020 £	2019 £
Acquisition costs	**864,673**	855,678
Administrative expenses	**494,330**	295,991
Profit on exchange	**(19,249)**	(13,232)
Total	**1,339,754**	1,138,437

10 Other income

	2020	2019
	£	£
Rental income	**538,020**	487,625
Consultancy services	**84,472**	32,035
Sale of property	-	1,511,259
Travel insurance	**291,426**	1,109,645
Stop loss recovery	-	3,689
Other	**289,420**	1,575
Total	**1,203,338**	3,145,828

11 (Loss)/Profit on ordinary activities before taxation

This is stated after charging:	2020	2019
	£	£
Auditor's remuneration - audit (note 12)	**58,455**	48,995
Auditor's remuneration - other (note 12)	**12,345**	5,000
Exchange (gains)/losses	**(879)**	23,565
Amortisation of intangible assets	**4,373,091**	4,378,765
Depreciation of tangible fixed assets	**50,831**	39,367
Operating lease charges (note 29)	**188,764**	216,000
Other interest payable	**169,925**	318,712

12 Auditor's remuneration

The remuneration of the auditor or its associates is further analysed as follows:

	2020	2019
For audit services	£	£
Audit of the financial statements	**26,000**	21,000
Audit of subsidiaries	**32,455**	27,995
Total audit	**58,455**	48,995
For non-audit services		
Taxation compliance services	**2,650**	1,200
Other non-audit services	**9,695**	3,800
Total non-audit services	**12,345**	5,000

13 Directors' remuneration

	2020	2019
	£	£
Remuneration for qualifying services	**24,000**	24,683

The number of directors of the company for whom retirement benefits are accruing under defined contribution schemes amounted to 0 (2019 - 0).

14 Employees

Number of employees

The average monthly number of employees (including directors) employed by the group and company during the year was:

	Company		Group	
	2020	2019	2020	2019
	Number	Number	Number	Number
Directors of the parent	**2**	2	**2**	2
Directors of subsidiaries	**-**	-	**3**	6
Administration	**6**	4	**16**	20
Total	**8**	6	**21**	28

Employment costs	Company		Group	
Their aggregate remuneration comprised:	2020	2019	2020	2019
	£	£	£	£
Wages and salaries	**70,051**	42,131	**368,049**	493,518
Social security costs	**3,625**	3,319	**33,708**	29,543
Other pension costs	**16,176**	-	**87,157**	70,631
	89,852	45,450	**488,914**	593,692

15 Intangible fixed assets

Group	**Syndicate participation rights**	**Negative goodwill from business combinations**	**Goodwill from business combinations**	**Total**
	£		£	£
Cost				
At 1 January 2020	547,045	(63,739)	22,092,376	22,575,682
Other movements	-	-	(655,994)	(655,994)
At 31 December 2020	**547,045**	**(63,739)**	**21,436,382**	**21,919,688**
Amortisation				
At 1 January 2020	372,683	(50,419)	4,443,862	4,766,126
Charge for the year	143,151	(3,330)	4,233,269	4,373,090
Impairment losses	-	-	220,217	220,217
At 31 December 2020	**515,834**	**(53,749)**	**8,897,348**	**9,359,433**
Net book value				
At 31 December 2020	**31,211**	**(9,990)**	**12,539,034**	**12,560,255**
At 31 December 2019	174,362	(13,320)	17,648,514	17,809,556

The company had no intangible fixed assets at 31 December 2020 or 31 December 2019.

Amortisation of intangible assets is included in other charges.

Goodwill from business combinations includes goodwill arising on the acquisition of Kirly Group Holdings Ltd with a carrying value of £12,532,577 and a remaining amortisation period of 3 years. Other movements represent adjustments to the purchase cost of this asset from the early repayment of loan notes issued as consideration (note 28).

16 Tangible fixed assets

Group

	Freehold property	Fixtures, fittings & equipment	Total
	£	£	£
Cost or valuation			
At 1 January 2020	863,489	407,799	1,271,288
Additions	1,098	15,930	17,028
Reclassification to stock	-	(129,705)	(129,705)
At 31 December 2020	**864,587**	**294,024**	**1,158,611**
Depreciation and impairment			
At 1 January 2020	149,559	90,722	240,281
Charge for the year	-	50,831	50,831
Reclassification to stock	-	(9,224)	(9,224)
At 31 December 2020	**149,559**	**132,329**	**281,888**
Net book value			
At 31 December 2020	**715,028**	**161,695**	**876,723**
At 31 December 2019	713,930	317,077	1,031,007

Company

	Fixtures, fittings & equipment	Total
	£	£
Cost		
At 1 January 2020	26,895	26,895
Additions	1,556	1,556
At 31 December 2020	**28,451**	**28,451**
Depreciation and impairment		
At 1 January 2020	25,554	25,554
Charge for the year	746	746
Disposals	-	-
At 31 December 2020	**26,300**	**26,300**
Net book value		
At 31 December 2020	**2,151**	**2,151**
At 31 December 2019	1,341	1,341

17 Investment property

Group

Fair value	**£**
At 1 January 2019	729,519
Reclassification to stock	(729,519)
At 31 December 2020	-

The company held no investment property at 31 December 2020 or 31 December 2019.

18 Financial investments

Group

At market value		£	Syndicate £	Corporate £	Total £
2020					
Shares and other variable yield securities	- level 1	191,883			
	- level 2	414,378			
	- level 3	35,594	641,855	11,380,330	**12,022,185**
Debt securities and other fixed income securities	- level 1	801,117			
	- level 2	1,693,128			
	- level 3	1	2,494,246	54,803	**2,549,049**
Participation in investment pools	- level 1	230			
	- level 2	31,204			
	- level 3	1,998	33,432	-	**33,432**
Loans guaranteed by mortgage	- level 1	2,671			
	- level 2	382			
	- level 3	531	3,584	-	**3,584**
Other loans	- level 1	80,729			
	- level 2	9,256			
	- level 3	5,060	95,045	-	**95,045**
Total			**3,268,162**	**11,435,133**	**14,703,295**
2019					
Shares and other variable yield securities	- level 1	366,459			
	- level 2	360,980			
	- level 3	6,760	734,199	5,751,907	6,486,106
Debt securities and other fixed income securities	- level 1	769,116			
	- level 2	1,501,783			
	- level 3	-	2,270,899	-	2,270,899
Participation in investment pools	- level 1	3,646			
	- level 2	36,697			
	- level 3	5,399	45,742	-	45,742
Loans guaranteed by mortgage	- level 1	2,436			
	- level 2	1,222			
	- level 3	179	3,837	-	3,837
Other loans	- level 1	67,592			
	- level 2	4,159			
	- level 3	426	72,177	-	72,177
Total			3,126,854	5,751,907	8,878,761

The corporate investments held include £2,361,372 (2019: £2,030,589) at market value in respect of Lloyd's deposits that are held in accordance with the constraints detailed in note 35.

The group held listed investments included above with market values totalling £10,717,072 (2019: £4,621,020).

18 Financial investments (continued)

Group (continued)

The group uses the following hierarchy for determining and disclosing the fair value of financial investments by valuation technique:

Level 1: quoted (unadjusted) prices in active markets for identical assets
Level 2: prices based on recent transactions in identical assets
Level 3: prices determined using a valuation technique

None of the above investments are valued at amortised cost.

At cost	Syndicate £	Corporate £	2020 Total £	2019 Total £
Shares and other variable yield securities	634,199	9,056,801	**9,691,000**	5,895,025
Debt securities and other fixed income securities	2,448,616	53,884	**2,502,500**	1,871,746
Participation in investment pools	32,431	-	**32,431**	86,015
Loans guaranteed by mortgage	5,748	-	**5,748**	3,860
Other	102,992	-	**102,992**	76,040
Total	3,223,986	9,110,685	**12,334,671**	7,932,686

Company

At cost	2020 Total £	2019 Total £
At 1 January	**3,717,611**	2,631,918
Additions	**-**	1,085,693
Disposals	**(76,088)**	-
Total	**3,641,523**	3,717,611

At market value	2020 Total £	2019 Total £
At 1 January	**3,969,369**	2,629,397
Additions	**-**	1,085,693
Disposals	**(51,317)**	-
Fair value adjustment	**(353,734)**	254,279
At 31 December	**3,564,318**	3,969,369

The company held listed current asset investments included above with market values totalling £2,885,659 (2019: £3,290,710).

19 Fixed asset investments

Group

	Investments in associates £	Total £
Carrying amount		
At 1 January 2020	5,025	**5,025**
Valuation changes	-	-
At 31 December 2020	**5,025**	**5,025**
Net book value		
At 31 December 2020	**5,025**	**5,025**
At 31 December 2019	5,025	5,025

Company

	Investments in subsidiaries £	Investments in associates £	Total £
Carrying amount			
At 1 January 2020	37,541,354	5,025	**37,546,379**
Additions	1,686,370	-	**1,686,370**
Impairment losses	(470,248)	-	**(470,248)**
Other movements	(655,994)	-	**(655,994)**
At 31 December 2020	**38,101,482**	**5,025**	**38,106,507**
Net book value			
At 31 December 2020			**38,106,507**
At 31 December 2019			37,546,379

Other movements represent adjustments to the purchase cost of Kirly Group Holdings Ltd from the early repayment of loan notes issued as consideration (note 28).

Investments in associates

At 31 December 2020 the group and the company had interests in the following associates:

Associate	Type of shares held	Proportion held (%)	Registered Office	Nature of business
Life's Kitchen Limited	Ordinary	22.0%	Gateway House, Highpoint Business Village, Henwood, Ashford, TN24 8DH	Catering
The Apertus Group Limited	Ordinary	20.0%	3 Deanery Court, Preston Deanery, Northampton, England, NN7 2DT	Utilities
Cambridge Network Limited	Ordinary	20.0%	Hauser Forum, 3 Charles Babbage Road, Cambridge, United Kingdom, CB3 0GT	Analysis

A resolution to wind up Life's Kitchen Limited was passed on 4 December 2020.

Cambridge Network Limited has not been included in the group or company accounts on grounds of immateriality.

19 Fixed asset investments (continued)

Investments in subsidiaries

At 31 December 2020 the group and the company had interests in the following subsidiaries:

Subsidiary	Type of shares held	Proportion held (%) Direct	Indirect	Registered office	Nature of business
Chariot (II) Underwriting Limited	Ordinary	100%		(A)	Corporate member of Lloyd's
Maturin-Baird (Underwriting) LLP		100%		(B)	Corporate member of Lloyd's
Paddock St Holdings Limited	Ordinary	100%		(C)	Property development
Cherry Trees Apartments Service Company Limited	Ordinary		100%	(C)	Property management
Kirly Realisations Limited	Ordinary	100%		(C)	Investment company
Bolton's Warehouse Company Limited	Ordinary	100%		(C)	Dormant
Freedom Insurance Services Limited	Ordinary	75.8%	11.9%	(D)	Holiday insurance sales
OK to Travel Limited	Ordinary		87.7%	(D)	Holiday insurance sales
It's So Easy Travel Insurance Limited	Ordinary		87.7%	(E)	Holiday insurance sales
Freetime Travel Limited	Ordinary		87.7%	(D)	Dormant
OK to Travel Cruise Insurance Solutions	Ordinary		87.7%	(D)	Dormant
Travel Positive Limited	Ordinary		87.7%	(D)	Dormant
Nomina 599 LLP		100%		(B)	Corporate member of Lloyd's
Kirly Group Holdings Ltd	Ordinary	100%		(C)	Investment company
Kirly Property Services Ltd	Ordinary		100%	(C)	Property management
Kirly EB Ltd	Ordinary		100%	(C)	Dormant
DAN Holdings Limited	Ordinary		100%	(C)	Dormant
Kirly FS Ltd	Ordinary		100%	(C)	Dormant
Cambridge Index Ltd	Ordinary		100%	(C)	Dormant
LK Catering and Events Limited	Ordinary	100%		(C)	Event catering

Dormant subsidiaries as listed above are exempt from preparing individual accounts by virtue of s394A of Companies Act 2006, and exempt from filing with the registrar individual accounts by virtue of s448A of Companies Act 2006. Dormant subsidiaries are exempt from audit under s480 of Companies Act 2006.

Cherry Trees Apartments Service Company Limited has not been included in the consolidation on grounds of immateriality.

Registered office addresses (all UK):

(A) 7-9 The Avenue, Eastbourne, East Sussex, BN21 3YA
(B) 5th Floor 40 Gracechurch Street, London, EC3V 0BT
(C) 11 Luard Road, Cambridge, CB2 8PJ
(D) 58 Market Square, St. Neots, PE19 2AA
(E) 27 Old Gloucester Street, London, WC1N 3XX

20 Group debtors arising out of direct insurance and reinsurance operations

	Syndicate £	Corporate £	2020 Total £	2019 Total £
The following amounts are due after one year:				
Direct insurance operations	5,852	-	**5,852**	6,913
Reinsurance operations	8,622	-	**8,622**	9,003
Total	14,474	-	**14,474**	15,916

21 Other debtors

	Company		Group			
	2020 Total £	2019 Total £	Syndicate £	Corporate £	2020 Total £	2019 Total £
Amounts owed by group undertakings	**2,931,694**	742,036	-	-	-	-
Amounts owed by undertakings in which the company has a participating interest	**145,000**	60,000	-	145,000	**145,000**	60,000
Other debtors	**6,491,053**	3,633,510	1,916,524	12,410,002	**14,326,526**	11,436,182
Total	**9,567,747**	4,435,546	1,916,524	12,555,002	**14,471,526**	11,496,182

Group corporate other debtors includes £4,871,097 (2019: £5,532,993) due to the company after more than one year.
Group syndicate other debtors includes £1,013,283 (2019: £515,412) due to the company after more than one year.
Group corporate other debtors includes £210,800 (2019: £Nil) due to the company after more than one year.

22 Stocks

Group	2020 £	2019 £
Property held for development	**9,812,977**	4,635,755

23 Cash at bank

	Syndicate £	Corporate £	2020 Total £	2019 Total £
Lloyd's deposit	332,090	13,854	**345,944**	375,241
Cash at bank and in hand	253,480	2,763,261	**3,016,741**	15,913,001
Total	585,570	2,777,115	**3,362,685**	16,288,242

Any Lloyd's deposit is held in accordance with the constraints detailed in note 35.

24 Share capital

	2020	2019
	£	£
Allotted, called up and fully paid		
140,849 Ordinary shares of £0.01 each	**1,408**	1,408

Ordinary shares rank pari passu with equal rights to the distribution of dividends.

25 Other provisions

Group	Syndicate	Corporate	2020	2019
	£	£	£	£
Dilapidations	-	210,000	**210,000**	210,000
Other provisions	1,426	-	**1,426**	1,478
Total	1,426	210,000	**211,426**	211,478

Movements on provisions apart from deferred tax liabilities (note 26):

	Dilapidations	Other	Total
	£	£	£
At 1 January 2020	210,000	1,478	**211,478**
Charge to the profit or loss account	-	(52)	**(52)**
At 31 December 2020	210,000	1,426	**211,426**

The dilapidations provision relates to repairs required to be made under the terms of the lease to return the property, at the end of the lease, to the same state as when the lease commenced (note 29).

26 Taxation

	2020	2019
	£	£
Analysis of charge in year		
Current tax		
UK Corporation Tax on profits of the year	**159,181**	186,443
Adjustments in respect of prior years	**(9,763)**	117,096
Foreign tax	**116**	120
Total current tax	**149,534**	303,659
Deferred tax		
Origination and reversal of timing differences	**381,968**	(46,243)
Total deferred tax	**381,968**	(46,243)
Tax on profit on ordinary activities	**531,502**	257,416

26 Taxation (continued)

Factors affecting tax charge for the year
The tax assessed for the year is higher (2019 - lower) than the standard rate of Corporation Tax in the UK of 19.00%. The differences are explained below:

	2020	2019
	£	£
(Loss)/Profit on ordinary activities before taxation	**(326,906)**	27,907,383
(Loss)/Profit on ordinary activities before taxation multiplied by the standard rate of Corporation Tax in the UK of 19.00%.	**(62,112)**	5,302,403
Effects of:		
Income/expenses not taxable/allowable	**554,550**	(5,238,858)
Timing differences arising from the taxation of the underwriting results	**(31,646)**	(32,478)
Timing differences arising from the taxation of syndicate participation movements	**3,375**	3,375
Tax losses carried forward/(Utilisation of tax losses)	**75,221**	(7,599)
Adjustments to tax charge in respect of prior periods	**(9,763)**	109,595
Foreign tax paid	**(201)**	-
Other adjustments	**2,078**	120,978
Total tax charge for the year	**531,502**	257,416

Factors that may affect future tax charges
The group has trading losses of £438,916 (2019 - £Nil) available for carry forward against future trading profits. These losses have no fixed date of expiry.

	2020	2019
Provision for deferred tax	£	£
At 1 January	**126,862**	173,080
Charge/(Credit) to the profit or loss account	**381,967**	(46,218)
At 31 December	**508,829**	126,862

Full provision has been made for all timing differences apart from the recovery of taxation losses against future trading profits, which cannot be prudently anticipated at this time.

The deferred tax asset not provided for in respect of Corporation Tax losses, and deferred tax losses not yet assessable to Corporation Tax, amounted to £184,660 (2019 - £109,116).

The net reversal of deferred tax liabilities expected to occur during the year beginning after the reporting period is £2,763 on the assumption that no additions or disposals are made during the next year.

27 Other creditors: falling due within one year

	Company		Group			
	2020	2019	Syndicate	Corporate	2020	2019
	£	£	£	£	£	£
Other creditors	**33,215,306**	22,441,434	276,530	708,593	**985,123**	2,005,143
Other taxation and social security	**9,078**	5,417	-	32,211	**32,211**	33,503
Corporation tax	-	-	-	191,206	**191,206**	403,049
Shareholders' loan account	**153,653**	324,744	-	153,653	**153,653**	324,744
Total	**33,378,037**	22,771,595	276,530	1,085,663	**1,362,193**	2,766,439

The above shareholders' loan has been included in the related party transactions note 37.

28 Other creditors: falling due after more than one year

	Company		Group			
	2020	2019	Syndicate	Corporate	2020	2019
	£	£	£	£	£	£
Bank loans and overdrafts	-	-	-	50,000	**50,000**	-
Other loans	-	-	-	1,201,376	**1,201,376**	-
Loan notes	**6,684,035**	11,130,857	-	6,684,035	**6,684,035**	11,130,857
Total	**6,684,035**	11,130,857	-	7,935,411	**7,935,411**	11,130,857

The bank loan is repayable over 60 months commencing 22 August 2021. For the first 12 months, interest payments are covered by the UK Government's Business Interruption Payment. Interest thereafter is payable monthly and is charged at a fixed rate of 2.5%

Interest on the other loan is payable from 31 December 2021 at a rate of 1.25% per annum above the Barclays Bank Base Rate. The loan has a final repayment date of 31 December 2031. The first repayment date is 30 June 2022 and the lender has the option to either demand repayment then or at 6 monthly intervals thereafter, and the company similarly can choose to repay then or at 6 monthly intervals even if the lender has not asked to be repaid.

Interest on loan notes is payable from 31 December 2019 at a rate of 1% per annum above the Barclays Bank Base Rate. The company may make an early repayment at any time after 31 December 2023 (Loan Notes 1) or 31 December 2022 (Loan Notes 2) with 3 months' notice. The stockholder may give 3 or more months' notice at any time (Loan Notes 1) or after 1 September 2021 (Loan Notes 2) that they wish for repayment at the end of the next calendar quarter. The loan notes have a final repayment date of 31 December 2029 if not previously repaid.

29 Obligations under leases

Operating lease agreements where the Group is lessor

The operating lease agreements represent leases of such properties to third parties. The leases are negotiated over terms of up to 25 years, with fixed rentals and break clauses in line with the individual terms of the leases.

At the reporting end date the group had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2020	2019
	£	£
Within one year	**570,549**	457,020
Between two and five years	**1,169,898**	1,192,870
In over five years	**655,020**	818,775
	2,395,467	2,468,665

Reduction in rent receipts recognised in profit or loss arising from the COVID-19 pandemic	**1,753**	-

Operating lease agreements where the Group is lessee

The group's lease of its Cambridge premises at 16 Regent Street expires on 24 December 2033. The group has sublet, under operating leases to third parties, a part of the land and building leased above.

At the reporting end date the group had contracted with tenants for the following minimum lease payments:

	2020	2019
	£	£
Within one year	**245,000**	240,000
Between two and five years	**995,000**	990,000
In over five years	**2,000,000**	2,250,000
	3,240,000	3,480,000

30 Retirement benefit schemes

Defined contribution schemes	Company		Group	
	2020	2019	2020	2019
	£	£	£	£
Charge to profit or loss	**16,176**	-	**87,157**	70,631

A defined contribution pension scheme is operated for all qualifying employees. The assets of the scheme are held separately from those of the group in an independently administered fund.

31 Financial liabilities

Group

All financial liabilities are measured at amortised cost except for:	2020	2019
	£	£
Amounts due to credit institutions	**3,619**	6,399

This liability has been disclosed at fair value using a valuation technique. The group uses the following hierarchy for determining and disclosing the fair value of financial liabilities by valuation technique:

Level 1: quoted (unadjusted) prices in active markets for identical liabilities
Level 2: prices based on recent transactions in identical liabilities
Level 3: prices determined using a valuation technique

32 Reconciliation of (loss)/profit before tax to cash outflow from operating activities

	2020	2019
	£	£
(Loss)/profit before tax	**(326,906)**	27,907,383
Finance costs	**168,160**	343,327
Finance income	**(2,155,452)**	(731,652)
Current year result not distributable in year	**99,379**	(152,501)
Prior year result distributable in year	**(464,481)**	(60,946)
Increase in creditors	**13,109,894**	19,451,090
Increase in debtors	**(15,932,742)**	(19,253,283)
Increase in stocks	**(4,327,222)**	(45,755)
Increase/(Decrease) in deferred income	**153,117**	(1,000)
Amortisation and impairment of syndicate participation rights	**143,151**	73,828
(Profit)/loss on disposal of tangible fixed assets	**-**	(120)
Depreciation of tangible fixed assets	**50,831**	53,402
Amortisation and impairment of other intangible fixed assets	**4,450,156**	4,304,937
Fair value adjustments	**(1,861,510)**	(224,139)
Profit on disposal of fixed asset investments	**-**	(31,957,371)
Exchange gains and losses	**1,334**	3,958
Loss on disposal of current asset investments	**(820,635)**	(76,860)
Cash outflow from operating activities	**(7,712,926)**	(365,702)

33 Analysis of changes in net debt - group

	At 1 Jan 2020	Cash flows	Exchange movements	At 31 Dec 2020
	£	£	£	£
Cash and cash equivalents	**15,781,201**	(13,002,752)	(1,334)	**2,777,115**
Borrowings excluding overdrafts	**(11,815,857)**	3,295,446	-	**(8,520,411)**
Total	**3,965,344**	(9,707,306)	(1,334)	**(5,743,296)**

34 Reserves

Share premium account

This reserve records the amount above the nominal value received for shares issued, less transaction costs.

Revaluation reserve

This reserve is used to record the non-distributable increases and decreases in the fair values of financial investments.

Capital redemption reserve

This reserve records the nominal value of the shares repurchased by the company.

35 Funds at Lloyd's

Cash balances of £13,854 (2019: £118,669) detailed in note 23 and investments of £2,361,372 (2019: £2,030,589) detailed in note 18 are held within the group's Lloyd's deposit. These balances exclude any amounts held via syndicates.

The Lloyd's deposit represents funds deposited with the Corporation of Lloyd's (Lloyd's) to support the company's underwriting activities as described in the accounting policies. The group has entered into a legal agreement with Lloyd's which gives the Corporation the right to apply these funds in settlement of any claims arising from the company's participation on Lloyd's Syndicates. These funds can only be released from the provision of this deed with Lloyd's express permission and only in circumstances where the amounts are either replaced by an equivalent asset or after the expiration of the company's liabilities in respect of its underwriting.

In addition to these amounts, the directors and shareholders of the group, and the Kirly Pension Scheme, have also made available to Lloyd's assets amounting to approximately £5,825,453 (2019: £3,253,363) which are also used by the company to support its Lloyd's underwriting.

36 Controlling party

The directors control the company by virtue of their controlling interest in the issued ordinary share capital.

37 Related party transactions

At the end of the year the group and company owed the directors £153,653 (2019 - £324,744). The company received advances of £50,000 and made repayments of £221,091. The loan is interest free and no specific terms for repayment exist. The directors waived rights to dividends in the year with a value of £113,092.

During the year to 31 December 2020 Kirly Limited advanced £85,000 to The Apertus Group Limited, a company in which Kirly Limited has a participating interest. The outstanding balance owed to Kirly Limited at the year-end was £145,000 (2019 - £60,000). The loans are interest-free and payable in full by 31 March 2021. The group charged rent to The Apertus Group Limited of £2,400 (2019 - £2,400) on an arm's length basis.

At the year-end Kirly Limited was owed £450,000 (2019 - £450,000) by Forinvesta UBA. Forinvesta UBA is a wholly owned subsidiary of Varoteks OU, a company owned by the daughters of the directors. Interest is chargeable at the Base Rate +1%, which is considered a market rate of interest by the directors. The loan was acquired from the Kirly Pension Scheme, of which M W Johnson is a trustee.

During the year to 31 December 2020 Kirly Limited provided an additional loan of £2,145,782 to Varoteks OU in order to finance the Aardla business centre. The company receives interest equalling 80% of the total profit of the venture plus 7% on the base cost of the loan. Interest receivable by Kirly Limited during the year was £320,133 (2019 - £191,618). The outstanding balance owed to Kirly Limited at the year-end was £4,329,622 (2019 - £2,845,091). The final term of the loan is 31 December 2028 and the company has the right to request repayment of the loan and interest on 31 December 2023.

At the year-end Kirly Limited was owed £168,000 (2019 - £192,000) by the sister of M W Johnson. Interest receivable by Kirly Limited during the year was £3,049 (2019 - £5,010). Interest is chargeable at the Base Rate +1.5%, which is considered a market rate of interest by the directors. The loan is repayable in full by 31 January 2030.

During 2020 The Kirly Pension Scheme, of which M W Johnson is a trustee, lent the group £287,659 (including £219,659 to Kirly Limited). Included within group creditors as at 31 December 2020 is £267,659 (2019 - £20,000 debtor). Included within company creditors as at 31 December 2020 is £199,659 (2019 - £20,000 debtor). The loan is interest-free and no specific terms for repayment exist.

Kirly Limited has taken advantage of the exemption conferred by FRS 102.33.1A not to disclose transactions with its wholly-owned subsidiaries.

38 Non-controlling interest

	2020	2019
	£	£
At 1 January	**616,961**	(191,838)
Non-controlling interest eliminated on increase of shareholdings	**(931,010)**	(5,741)
Fair value of non-controlling interest on business combinations during the year	**-**	262,227
Share of subsidiary's profit for the year	**(219,778)**	651,728
Dividends paid by subsidiary to non-controlling interest	**-**	(99,415)
Shares issued by subsidiary to non-controlling interest	**203,374**	-
At 31 December	**(330,453)**	**616,961**

39 Non-audit services provided by auditor

In common with many businesses of our size and nature we use our auditor to prepare and submit returns to the tax authorities and assist with the preparation of the financial statements.

40 Restated comparatives

The comparatives have been restated in order to present realised and unrealised gains and losses on separate lines in the non-technical account and note 8. The restatement is purely for presentational purposes only and does not affect the profit made by the company.