

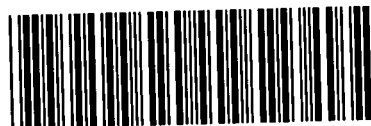
Registered number: 02265613

ALEXANDER FORBES INTERNATIONAL LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2020

FRIDAY



A9K5IK0J

A14

18/12/2020

#143

COMPANIES HOUSE

ALEXANDER FORBES INTERNATIONAL LIMITED

COMPANY INFORMATION

Directors

P M Elliott
R M Head

Registered number

02265613

Registered office

Warren House
92 High Street
Cranleigh
Surrey
GU6 8AJ

Independent auditor

Crowe U.K. LLP
St Bride's House
10 Salisbury Square
London
EC4Y 8EH

ALEXANDER FORBES INTERNATIONAL LIMITED

CONTENTS

	Page
Directors' report	1 - 2
Independent auditor's report	3 - 5
Statement of comprehensive income	6
Statement of financial position	7
Statement of changes in equity	8
Notes to the financial statements	9 - 22

ALEXANDER FORBES INTERNATIONAL LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2020

The directors present their report and the financial statements for the year ended 31 March 2020.

Directors' responsibilities statement

The directors are responsible for preparing the Directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 101 'Reduced Disclosure Framework'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

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

- select suitable accounting policies and then apply them consistently;
- make judgments 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 Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Results and dividends

The loss for the year, after taxation, amounted to £143,854 (2019 - loss £162,551).

The directors do not recommend payment of a dividend for 2020 (2019: £7,300,000).

In December 2019, a novel strain of coronavirus ("COVID-19") surfaced in Wuhan, China, and has spread around the world, with resulting business and social disruption around the world. COVID-19 was declared a Public Health Emergency of International Concern by the World Health Organization on 30 January 2020. Having considered these events, the directors have a reasonable expectation that the Company has adequate resources to continue its principal activity for the foreseeable future. In their assessment of going concern the directors have considered the current and developing impact on the business as a result of the COVID19 virus. Whilst this has not had an immediate impact on the company's operations, it is not anticipated to have any significant impact given the relatively limited activities of the company. The directors are aware that if the current situation becomes prolonged then this may need to be re-evaluated.

Directors

The directors who served during the year were:

P M Elliott
R M Head

ALEXANDER FORBES INTERNATIONAL LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020**

Qualifying third party indemnity provisions

The company is party to a group wide indemnity policy which benefits its current directors and is a Qualifying Third Party Indemnity provision for the purposes of the Companies Act 2006.

The indemnity was in force during the year and at the date of signing.

Disclosure of information to auditor

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

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

Post balance sheet events

Since the year end, up until 30 June 2020, a further £1,137,600 of ETV claims as disclosed in note 16 have been settled. These claims have been fully covered by the insurance receivable as disclosed in note 12.

Auditor

Under section 487(2) of the Companies Act 2006, Crowe U.K. LLP will be deemed to have been reappointed as auditor 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier.

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on 30 July 2020 and signed on its behalf.



R M Head
Director

ALEXANDER FORBES INTERNATIONAL LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ALEXANDER FORBES INTERNATIONAL LIMITED

Opinion

We have audited the financial statements of Alexander Forbes International Limited (the 'Company') for the year ended 31 March 2020, which comprise the Statement of comprehensive income, the Statement of financial position, the Statement of changes in equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 'Reduced Disclosure Framework'.

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 March 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 United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

ALEXANDER FORBES INTERNATIONAL LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ALEXANDER FORBES INTERNATIONAL LIMITED (CONTINUED)

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 the audit:

- the information given in the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Directors' report and from the requirement to prepare a Strategic report.

ALEXANDER FORBES INTERNATIONAL LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ALEXANDER FORBES INTERNATIONAL LIMITED (CONTINUED)

Responsibilities of directors

As explained more fully in the Directors' responsibilities statement on page 1, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

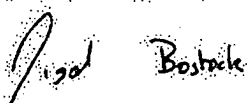
Auditor's responsibilities for the audit of the financial statements

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.

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

Use of our report

This report is made solely to the Company's members 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 for our audit work, for this report, or for the opinions we have formed.



Nigel Bostock (Senior statutory auditor)

for and on behalf of
Crowe U.K. LLP

Statutory Auditor

St Bride's House
10 Salisbury Square
London
EC4Y 8EH

Date: 5 August 2020

ALEXANDER FORBES INTERNATIONAL LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2020**

	Note	2020 £	2019 £
Turnover	4	21,170	225,996
Gross profit		21,170	225,996
Administrative expenses		(172,048)	(470,055)
Operating loss	5	(150,878)	(244,059)
Interest receivable and similar income	6	3,331	34,600

Registered number: 02265613

ALEXANDER FORBES INTERNATIONAL LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2020

ALEXANDER FORBES INTERNATIONAL LIMITED

COMPANY INFORMATION

Directors

P M Elliott
R M Head

Registered number

02265613

Registered office

Warren House
92 High Street
Cranleigh
Surrey
GU6 8AJ

Independent auditor

Crowe U.K. LLP
St Bride's House
10 Salisbury Square
London
EC4Y 8EH

ALEXANDER FORBES INTERNATIONAL LIMITED

CONTENTS

	Page
Directors' report	1 - 2
Independent auditor's report	3 - 5
Statement of comprehensive income	6
Statement of financial position	7
Statement of changes in equity	8
Notes to the financial statements	9 - 22

ALEXANDER FORBES INTERNATIONAL LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2020

The directors present their report and the financial statements for the year ended 31 March 2020.

Directors' responsibilities statement

The directors are responsible for preparing the Directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 101 'Reduced Disclosure Framework'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

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

- select suitable accounting policies and then apply them consistently;
- make judgments 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 Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Results and dividends

The loss for the year, after taxation, amounted to £143,854 (2019 - loss £162,551).

The directors do not recommend payment of a dividend for 2020 (2019: £7,300,000).

In December 2019, a novel strain of coronavirus ("COVID-19") surfaced in Wuhan, China, and has spread around the world, with resulting business and social disruption around the world. COVID-19 was declared a Public Health Emergency of International Concern by the World Health Organization on 30 January 2020. Having considered these events, the directors have a reasonable expectation that the Company has adequate resources to continue its principal activity for the foreseeable future. In their assessment of going concern the directors have considered the current and developing impact on the business as a result of the COVID19 virus. Whilst this has not had an immediate impact on the company's operations, it is not anticipated to have any significant impact given the relatively limited activities of the company. The directors are aware that if the current situation becomes prolonged then this may need to be re-evaluated.

Directors

The directors who served during the year were:

P M Elliott
R M Head

ALEXANDER FORBES INTERNATIONAL LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020**

Qualifying third party indemnity provisions

The company is party to a group wide indemnity policy which benefits its current directors and is a Qualifying Third Party Indemnity provision for the purposes of the Companies Act 2006.

The indemnity was in force during the year and at the date of signing.

Disclosure of information to auditor

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

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

Post balance sheet events

Since the year end, up until 30 June 2020, a further £1,137,600 of ETV claims as disclosed in note 16 have been settled. These claims have been fully covered by the insurance receivable as disclosed in note 12.

Auditor

Under section 487(2) of the Companies Act 2006, Crowe U.K. LLP will be deemed to have been reappointed as auditor 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier.

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on 30 July 2020 and signed on its behalf.



R.M. Head
Director

ALEXANDER FORBES INTERNATIONAL LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ALEXANDER FORBES INTERNATIONAL LIMITED

Opinion

We have audited the financial statements of Alexander Forbes International Limited (the Company) for the year ended 31 March 2020, which comprise the Statement of comprehensive income, the Statement of financial position, the Statement of changes in equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 'Reduced Disclosure Framework'.

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 March 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 United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

ALEXANDER FORBES INTERNATIONAL LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ALEXANDER FORBES INTERNATIONAL LIMITED (CONTINUED)

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 the audit:

- the information given in the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Directors' report and from the requirement to prepare a Strategic report.

ALEXANDER FORBES INTERNATIONAL LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ALEXANDER FORBES INTERNATIONAL LIMITED (CONTINUED)

Responsibilities of directors

As explained more fully in the Directors' responsibilities statement on page 1, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

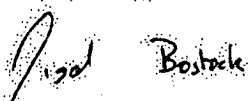
Auditor's responsibilities for the audit of the financial statements

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.

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

Use of our report

This report is made solely to the Company's members 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 for our audit work, for this report, or for the opinions we have formed.



Nigel Bostock (Senior statutory auditor)

for and on behalf of
Crowe U.K. LLP

Statutory Auditor

St Bride's House
10 Salisbury Square
London
EC4Y 8EH

Date: 5 August 2020

ALEXANDER FORBES INTERNATIONAL LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2020**

	Note	2020 £	2019 £
Turnover	4	21,170	225,996
Gross profit		21,170	225,996
Administrative expenses		(172,048)	(470,055)
Operating loss	5	(160,878)	(244,059)
Interest receivable and similar income	8	7,024	81,508
ETV - Potential client settlements		4,665,734	10,487,672
ETV - Insurance receivable		(4,665,734)	(10,487,672)
Loss before tax		(143,854)	(162,551)
Tax on loss	9	-	-
Loss for the financial year		(143,854)	(162,551)
Other comprehensive income:			
Items that will not be reclassified to profit or loss:			
Foreign exchange differences		-	60,037
			60,037
Total comprehensive income for the year		(143,854)	(102,514)

The notes on pages 9 to 22 form part of these financial statements.

ALEXANDER FORBES INTERNATIONAL LIMITED
REGISTERED NUMBER: 02265613

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2020

	Note	2020 £	2019 £
Fixed assets			
Current assets			
Debtors: amounts falling due within one year	12	12,309,771	10,963,584
Cash at bank and in hand	13	861,617	526,922
		<u>13,161,388</u>	<u>11,490,506</u>
Creditors: amounts falling due within one year	14	(46,827)	(54,190)
Net current assets		<u>13,114,561</u>	<u>11,436,316</u>
Total assets less current liabilities		<u>13,114,561</u>	<u>11,436,316</u>
Provisions for liabilities			
Other provisions	16	(12,309,771)	(10,487,672)
		<u>(12,309,771)</u>	<u>(10,487,672)</u>
Net assets		<u>804,790</u>	<u>948,644</u>
Capital and reserves			
Called up share capital	17	100	100
Foreign exchange reserve		61,358	51,358
Profit and loss account		753,332	897,186
		<u>804,790</u>	<u>948,644</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 30 July 2020.



R M Head
Director



P M Elliott
Director

The notes on pages 9 to 22 form part of these financial statements.

ALEXANDER FORBES INTERNATIONAL LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2020**

	Called up share capital £	Foreign exchange reserve £	Profit and loss account £	Total equity £
At 1 April 2018	100	(8,679)	8,359,737	8,351,158
Comprehensive income for the year				
Loss for the year	-	-	(162,551)	(162,551)
Foreign exchange movements	-	60,037	-	60,037
Total comprehensive income for the year	-	60,037	(162,551)	(102,514)
Dividends: Equity capital	-	-	(7,300,000)	(7,300,000)
Total transactions with owners	-	-	(7,300,000)	(7,300,000)
At 1 April 2019	100	51,358	897,186	948,644
Comprehensive income for the year				
Loss for the year	-	-	(143,854)	(143,854)
Total comprehensive income for the year	-	-	(143,854)	(143,854)
At 31 March 2020	100	51,358	753,332	804,790

The notes on pages 9 to 22 form part of these financial statements.

ALEXANDER FORBES INTERNATIONAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

1. General information

Alexander Forbes International Limited is a private limited company, which is incorporated and registered in England (no. 02265613). The address of the registered office is Warren House, 92 High Street, Cranleigh, Surrey, GU6 8AJ.

The principal activity of the company is the provision of administrative and consultancy services to other companies within the Alexander Forbes Group.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Financial reporting standard 101 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions under FRS 101:

- the requirements of paragraphs 45(b) and 46-52 of IFRS 2 Share-based payment
- the requirements of IFRS 7 Financial Instruments: Disclosures
- the requirements of paragraphs 91-99 of IFRS 13 Fair Value Measurement
- the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of:
 - paragraph 73(e) of IAS 16 Property, Plant and Equipment
- the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D, 111 and 134-136 of IAS 1 Presentation of Financial Statements
- the requirements of IAS 7 Statement of Cash Flows
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors
- the requirements of paragraph 17 and 18A of IAS 24 Related Party Disclosures
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member

ALEXANDER FORBES INTERNATIONAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

2. Accounting policies (continued)

2.3 Going concern

The directors have assessed the Company's financial position, forecasts, anticipated cash flows and future plans, including the recoverability of the warranty claim and the impact of COVID19 and have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future and continue to adopt the going concern basis of accounting in preparing the annual financial statements.

In making this assessment the directors have considered each of the following:

(i) The Company has retained liabilities under a warranty provided in the sale of a subsidiary business in a prior year. A provision for an estimate of these liabilities has been made in these financial statements calculated using data from a sample of cases already settled (note 16). The costs of completing the review together with the number of cases requiring redress and the expected average redress per claim may be higher than estimated, in which case additional provisions would be required. The estimated provision made together with any potential additional provisions that may be required are fully covered either under Group insurance policies and or (note 12) or from support provided by group companies to settle any ETV related liabilities that may arise, in the event that any such liabilities are not recovered from Group Insurance policies.

(ii) The current and developing impact on the business as a result of the COVID19 virus. Whilst this has not had an immediate impact on the company's operations, it is not anticipated to have any significant impact given the relatively limited activities of the company. The directors are aware that if the current situation becomes prolonged then this may need to be re-evaluated.

Having regard to the above, the directors believe it appropriate to adopt the going concern basis of accounting in preparing the annual report and financial statements.

The financial statements do not include any adjustments that may be result from any significant changes in the assumptions noted above in preparing the financial statements on a going concern basis.

2.4 Impact of new international reporting standards, amendments and interpretations

There are no new IFRS that are effective for the first time for the financial year beginning on or after 1 April 2019 that have been adopted or have an impact on the financial statements of the company.

2.5 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

ALEXANDER FORBES INTERNATIONAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

2. Accounting policies (continued)

2.6 Revenue

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

Rendering of services

Revenue from providing services is recognised in the accounting period in which the services are rendered.

2.7 Interest income

Interest income is recognised in profit or loss using the effective interest method.

2.8 Finance costs

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

2.9 Taxation

Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

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

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

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

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

2.10 Debtors

Short term debtors are measured at transaction price less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

ALEXANDER FORBES INTERNATIONAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

2. Accounting policies (continued)

2.11 Insurance receivable

The Company benefits from being insured under the Alexander Forbes Group insurance policies. An insurance receivable is recognised to the extent it is recoverable under the Group insurance policies in the event of claims made under warranties and indemnities provided by the Company.

2.12 Cash and cash equivalents

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

2.13 Creditors

Creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers.

Creditors are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

2.14 Provisions for liabilities

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

Provisions are charged as an expense to profit or loss in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Statement of financial position date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of financial position.

2.15 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

ALEXANDER FORBES INTERNATIONAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

2. Accounting policies (continued)

2.16 Financial instruments

The Company recognises financial instruments when it becomes a party to the contractual arrangements of the instrument. Financial instruments are de-recognised when they are discharged or when the contractual terms expire. The Company's accounting policies in respect of financial instruments transactions are explained below.

Financial assets and financial liabilities are initially measured at fair value.

Financial assets

All recognised financial assets are subsequently measured in their entirety at either fair value or amortised cost, depending on the classification of the financial assets.

Debt instruments at amortised cost

Debt instruments are subsequently measured at amortised cost where they are financial assets held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and selling the financial assets, and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Amortised cost is calculated using the effective interest method and represents the amount measured at initial recognition less repayments of principal plus the cumulative amortisation using the effective interest method of any difference between the initial amount and the maturity amount, adjusted for any loss allowance.

Impairment of financial assets

The Company recognises a loss allowance for expected credit losses on investments in debt instruments that are measured at amortised or at FVOCI. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Company always recognises lifetime ECL for trade receivables and amounts due on contracts with customers. The expected credit losses on these financial assets are estimated based on the Company's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate. Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument.

Financial liabilities

At amortised cost

Financial liabilities which are neither contingent consideration of an acquirer in a business combination held for trading, nor designated as at fair value through profit or loss are subsequently measured at amortised cost using the effective interest method. This is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or where appropriate a shorter period, to the amortised cost of a financial liability.

ALEXANDER FORBES INTERNATIONAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

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

The preparation of the financial statements in compliance with FRS 101 requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates.

The estimates and underlying assumptions are reviewed on an on-going 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 estimation of the provision for ETV client settlements requires certain assumptions and judgements by management, namely, the number of cases requiring redress and the expected average redress amount per case. Should the number of cases requiring redress or the expected average redress amount be higher than estimated, additional provisions would be required. Any additional provisions would be fully covered by Group insurance policies.

4. Turnover

An analysis of turnover by class of business is as follows:

	2020 £	2019 £
Management and other services	21,170	225,996

	2020 £	2019 £
United Kingdom	21,170	225,996

All turnover arose within the United Kingdom.

Timing of revenue recognition:

	2020 £	2019 £
Goods and services transferred over time	21,170	225,996

The Company applies the practical expedient in paragraph 121 of IFRS 15 and does not disclose information about remaining performance obligations that have original expected durations of one year or less.

ALEXANDER FORBES INTERNATIONAL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

5. Operating loss

The operating loss is stated after charging

	2020 £	2019 £
Defined contribution pension cost	-	1,652
	<u>-</u>	<u>-</u>

6. Auditor's remuneration

	2020 £	2019 £
Fees payable to the Company's auditor and its associates for the audit of the Company's annual financial statements	15,420	6,200
	<u>15,420</u>	<u>6,200</u>

Fees payable to the Company's auditor and its associates in respect of:

Audit-related assurance services	1,000	1,000
Taxation compliance services	2,050	2,875
	<u>3,050</u>	<u>3,875</u>

7. Employees

Staff costs were as follows:

	2020 £	2019 £
Wages and salaries	130,883	349,203
Social security costs	13,049	41,011
Cost of defined contribution scheme	-	1,652
	<u>143,932</u>	<u>391,866</u>

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

	2020 No.	2019 No.
	1	4
	<u>1</u>	<u>4</u>

ALEXANDER FORBES INTERNATIONAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

8. Interest receivable

	2020 £	2019 £
Other interest receivable	7,024	81,508

9. Taxation

Factors affecting tax charge for the year

The tax assessed for the year is the same as (2019 - the same as) the standard rate of corporation tax in the UK of 19% (2019 - 19%) as set out below:

	2020 £	2019 £
Loss on ordinary activities before tax	(143,854)	(162,551)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2019 - 19%)	(27,332)	(30,885)
Effects of:		
Deferred tax not provided for	27,332	30,885
Total tax charge for the year	-	-

Factors that may affect future tax charges

There were no factors that may affect future tax charges.

ALEXANDER FORBES INTERNATIONAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

10. Dividends

	2020 £	2019 £
Dividends paid to holding company	-	7,300,000

11. Tangible fixed assets

	Computer equipment £
Cost or valuation	
At 1 April 2019	2,281
At 31 March 2020	2,281
Depreciation	
At 1 April 2019	2,281
At 31 March 2020	2,281
Net book value	
At 31 March 2020	-
At 31 March 2019	-

ALEXANDER FORBES INTERNATIONAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

12. Debtors

	2020 £	2019 £
Amounts owed by group undertakings	1,331,047	475,551
Other debtors	10,978,724	10,487,672
Prepayments and accrued income	-	361
	<u>12,309,771</u>	<u>10,963,584</u>

Other debtors relate to insurance receivables in relation to the provision for ETV client settlements (Note 16). Amounts owed by group undertakings include receivables relating to support provided by group companies to settle any ETV related liabilities that may arise, in the event, that any such liabilities are not recovered from Group Insurance policies.

Unrecognised deferred tax asset

At 31 March 2020 deferred tax assets of £2,139,145 (2019 - £1,882,821) in respect of non-trading taxable losses have not been recognised.

13. Cash and cash equivalents

	2020 £	2019 £
Cash at bank and in hand	<u>851,617</u>	<u>526,922</u>

14. Creditors: Amounts falling due within one year

	2020 £	2019 £
Amounts owed to group undertakings	-	9,169
Other taxation and social security	4,276	9,048
Accruals and deferred income	42,551	35,973
	<u>46,827</u>	<u>54,190</u>

ALEXANDER FORBES INTERNATIONAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

15. Financial instruments

	2020 £	2019 £
Financial assets		
Financial assets measured at fair value through profit or loss	851,617	526,922
Financial assets that are debt instruments measured at amortised cost	12,309,771	10,963,223
	<u>13,161,388</u>	<u>11,490,145</u>
Financial liabilities		
Financial liabilities measured at amortised cost	<u>(42,551)</u>	<u>(45,142)</u>

Financial assets measured at fair value through profit or loss comprise cash at bank and in hand.

Financial assets that are debt instruments measured at amortised cost comprise other receivables and amounts owed by group undertakings.

Financial liabilities measured at amortised cost comprise trade and other payables.

ALEXANDER FORBES INTERNATIONAL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

16. Provisions

	Provision for client settlements - ETV £
At 1 April 2019	10,487,672
Charged to profit or loss	4,665,734
Utilised in year	(2,843,635)
At 31 March 2020	<u>12,309,771</u>

ALEXANDER FORBES INTERNATIONAL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

16. Provisions (continued)

The Company's previous subsidiaries were subject to claims and litigation in the ordinary course of business resulting principally from alleged errors and omissions arising in their operations. Under certain disposals, the Company retained the liability for certain of these errors and omissions via indemnities provided to the purchasers. Although all claims are strenuously defended, a provision is made for financial liabilities, including expenses, that are deemed more likely than not to arise in respect of potential claims notified to the Company and in excess of the retention payable by the subsidiaries or former subsidiaries, at the date of these financial statements. Claims may arise several years after the original events which are the subject of dispute.

There is a matter (ETV) in respect of a legacy subsidiary business that had been sold inclusive of certain warranties. The group is adequately insured for claims as a result of such errors and omissions.

The Provision for client settlements - ETV matter, which has been disclosed in prior years, is being reviewed by the regulator in respect of a legacy subsidiary business that had been sold inclusive of certain warranties. The liability for the potential claim is calculated using certain assumptions based on a sample of the total number of cases that may require redress. During the current year the process for investigating and establishing the right course of action for each case has progressed. The assumptions used for the estimated liability have been modified according to the additional information available.

The provision for the outstanding liability as at 31 March 2020 amounts to £12,309,771 (financial year 2019: £10,487,672) which is fully covered under Group insurance policies. The group is adequately insured for claims as a result of such errors and omissions.

Management has obtained confirmation from the insurance underwriters for the primary insurance layer, covering £10,978,724 of the liability, indicating that the event is covered in terms of the policy. For this portion of the liability it is considered virtually certain that an inflow of economic benefits will arise from this layer of the insurance programme and as a result, the reimbursement insurance asset (refer to note 12). Whilst Management has not received confirmation from the lead underwriter covering £1,331,047 of the liability, the Company has warranties from its parent company that all liabilities will be covered in full.

As all liabilities in respect of this matter are covered by Group Insurance and warranties, it is virtually certain that an inflow of economic benefits will arise to cover the provision for liabilities. Accordingly, there is nil net impact to the income statement.

Sensitivity analysis

Key assumptions used in estimating the year-end provision consist of the expected number of cases requiring redress and the expected average redress cost per case. A sensitivity analysis has been performed on the key assumptions based on best and worst case scenarios as follows:

Number of cases requiring redress – a 41% decline in the number of cases results in a decrease of the provision amounting to £4.2m, while a 38% increase in the number of cases results in an additional provision of £4m.

Average redress amount per case – a 16% decline in the average redress amount per case results in a decrease of the provision amounting to £1m, while an increase of 30% results in an additional provision of £4.1m.

As outlined above, as all liabilities in respect of this matter are covered by Group Insurance and warranties any future adjustment arising from the matters noted within this sensitivity analysis will have a nil net impact to the income statement.

ALEXANDER FORBES INTERNATIONAL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

17. Share capital

	2020	2019
	£	£
Allotted, called up and fully paid		
100 (2019 - 100) Ordinary shares of £1.00 each	100	100

18. Post balance sheet events

Since the year end, up until 30 June 2020, a further £1,137,600 of ETV claims as disclosed in note 16 have been settled. These claims have been fully covered by the insurance receivable as disclosed in note 12.

19. Controlling party

The Company's immediate parent company at 31 March 2020 was Alexander Forbes Acquisition (Pty) Limited which is registered in South Africa. The Company's ultimate parent company and controlling party at 31 March 2020 was Alexander Forbes Group Holdings Limited, a company registered in South Africa. Copies of the groups accounts can be obtained from 115 West Street, Sandown 2196, South Africa.