

Company Registration No. 04352396 (England and Wales)

FIRSTPORT LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

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FIRSTPORT LIMITED

COMPANY INFORMATION

Directors	O Saleh N Howell
Secretary	FirstPort Secretarial Limited
Company number	04352396
Registered office	Queensway House 11 Queensway New Milton Hampshire United Kingdom BH25 5NR
Independent auditors	PricewaterhouseCoopers LLP 1 Embankment Place Charing Cross London England WC2N 6RH
Bankers	Royal Bank of Scotland 156 High Street Southampton Hampshire S014 2NP

FIRSTPORT LIMITED

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FIRSTPORT LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2019

FirstPort, of which FirstPort Limited is a substantial part, is the UK's largest residential property services business with a vision to be the UK's leading provider as judged by others. The core activity of the business is the management and maintenance of communal residential housing. FirstPort Limited is part of the Knight Square Holdings Limited group of companies. On 6 September 2019, Equistone Partners acquired the majority shareholding in the Knight Square Holdings Limited Group. The newly formed group under our new investors is referred to as the Drive Topco Group ("Group"). Refer to note 26 for details on the controlling party.

Business Review

FirstPort Limited acts as a shared service centre for the FirstPort division, providing back office functions such as IT, finance and HR services. The company recharges a proportion of its costs back to the FirstPort companies that benefit from these services.

FirstPort has developed an efficient and scalable cost base. As part of the service turnaround, the Company has reduced its costs whilst investing in value added activity. Investment in people skills, process design, and technology has led to a highly efficient and scalable cost base that places FirstPort in a strong position to convert revenue growth into future EBITDA growth and improve EBITDA margins.

Our purpose, vision and operating model for the FirstPort division are presented as follows:

Our purpose

The Group's 3,199 employees care for the places our customers call home –196,000 across the UK. We make sure the buildings our customers live in are safe, clean and comfortable. We do that by taking care of all the areas residents share with their neighbours. That means taking on the day-to-day tasks like mowing the lawn, as well as sorting out the big jobs like refurbishing the lifts. In addition, if something goes wrong, for example the underground car park gets flooded, we are the people who help get that fixed too. Our customers do not have to worry about finding the right supplier or working out how to split the bill with their neighbours.

Our vision

Our vision is to be the nation's favourite residential property manager. We are working hard to reach this, setting high standards in our industry, doing business ethically and responsibly, and delivering services to customers and clients to help make home ownership in communal developments a positive experience.

Our operating model

Our business is structured into six divisions: Luxury, Large & Complex, Property Services, Estates, Build to Rent, and Retirement. Each has its own specialist team dedicated to delivering high quality services for our customers and clients. These divisions are supported by professional in-house teams who are responsible for health and safety, mobilisation, finance, procurement, maintenance and surveying, asset operation and compliance, legal, IT, business development and communications.

Our operational delivery focuses on what we know as the 'Four Pillars'. These pillars provide clear focus for our operatives and make sure we deliver and measure our services consistently across all 4,000 developments we look after. Our Four Pillars cover:

- Strong health and safety,
- High site standards,
- Great customer communications, and
- Healthy estate finances.

FIRSTPORT LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

Financial Review

Financial highlights for the company	2019	2018
Turnover (£'000)	26,107	28,853
EBITDA* (£'000)	203	(1,482)
Cash at bank and in hand (£'000)	(678)	(3,253)
Net assets (£'000)	31,051	28,247

*EBITDA is defined as profit before interest, tax, depreciation and amortisation, income from shares in group undertakings and excludes one off exceptional items as disclosed in note 4.

Financial performance

Revenue for the year has decreased to £26.1m (2018: £28.9m). After total administrative expenses of £28.3m (2018: £30.7m) and exceptional items, the company showed an operating loss of £4.4m (2018: profit of £6.7m). Exceptional costs in the year were £2.2m (2018: income of £8.5m) which consist of transactional costs that relate primarily to one-off costs incurred from the change in the investor base. This includes due diligence and restructuring costs. In 2018, they were primarily related to deeds of loan waivers received from fellow group companies which form part of the Knight Square Group.

Financial position

The company had a net asset position of £31.0m (2018: net asset position of £28.2m). The main driver being an increase in amounts owed by group undertakings of £49.9m and a decrease in amounts owing to group undertakings of £5.5m. This was a result of the issue of share capital of £9.4m to the parent, Knight Square Limited, and distribution of funds from the debt facilities from the Group refinancing completed on the 10 April 2019. The Group repaid in full the existing RBS revolving credit facility, previously held in Knight Square Limited, and replacing it with a £81.7m facility, held in FirstPort Limited, comprising of:

- £12.1m term loan facility due 9 October 2025;
- £52.1m term loan facility due 9 April 2026;
- £7.5m revolving credit facility due 9 October 2025, undrawn as at year end; and
- £10m acquisition facility due 9 April 2026, undrawn as at year end.

The refinancing also enabled the entire outstanding balance of 9% Junior Loan notes of £12.9m and associated accrued interest of £9m to be repaid. The loan notes held in Knight Midco Limited were delisted from TISE on the same date. The new facility is secured against the shares and assets of the FirstPort division (including Knight Square Limited).

On 16 March 2019, the company acquired the entire share capital of Barratt Residential Asset Management Limited for a purchase consideration of £5.5m in cash, increasing the company's investment in subsidiaries.

FIRSTPORT LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

Future developments

FirstPort experienced a transformational year in 2019. The business successfully re-financed and welcomed new investors, Equistone Partners Europe Limited, to build on its solid platform and benefit from the changing dynamics of the residential property market. FirstPort can now look forward to further innovating its service offering with our customers, clients, suppliers and people to define new approaches and processes.

Our core principles remain unchanged, and we stand by our customer-centric approach that has helped us grow organically and acquisitively. However, we will be seeking to improve service further, and investment in innovation and our people will be key to our success. In 2019, we were proud to allocate significant funds to commence this journey.

Another proud moment of 2019 was the successful acquisition and integration of Barratt Residential Asset Management Limited (BRAM). Having built strong relationships with the Barratt group we were pleased to acquire BRAM on the 16 March 2019, bringing to our group a wealth of property management experience and a number of large and complex sites in and around the London region. Barratt continue to expect high service standards from their property managers and we were delighted that our standards and service offerings met their requirements. This, along with previous acquisitions, have helped us capture learnings and skills with a core team to support future successful acquisitions.

FirstPort is well positioned to achieve continued growth, with a strong order book, pipeline, continually growing industry network, increasing brand recognition, and significantly improved brand reputation. The board are committed to transforming its technology and processes, and to empowering its people to deliver a truly market-leading service.

FirstPort is in a strong position to successfully meet evolving customer expectations, client demands, differentiate itself over competitors, and meet any future regulatory expectations for managing agents. As we navigate through the recent COVID-19 events, the business is showing its resilient characteristics and is expected to emerge in good shape.

Events after the balance sheet date

In the first quarter of 2020, businesses around the UK have been impacted by COVID-19 and the UK government measures taken to slow the spread of the pandemic. The Board have carefully reviewed the impact of these events on the Group and have taken steps to navigate these unprecedented circumstances whilst ensuring that suitable customer service demands are met. COVID-19 is a non-adjusting post balance sheet event for the purposes of the year ended 31 December 2019 and has been considered within the Going Concern assessment in note 1.4. The Board continue to consider the Company and Group as a going concern.

Corporate Social Responsibility

The Group, of which FirstPort Limited is a part of recognises the importance of the way in which its portfolio companies operate and understands that our business operations must be carried out with consideration for the safety and well-being of our people, customers, business partners and the local communities in which they exist and with whom they interact.

FIRSTPORT LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

Health and Safety

The Group takes its obligations for safety at its office, operational, and development sites very seriously, along with the risks to staff travelling between locations. These obligations extend to staff, residents, visitors, contractors, and members of the public. The risk is mitigated by having a robust health and safety culture with a safety risk register, actions to eliminate or mitigate risks where possible, and monitoring and reporting of accidents and near misses.

We are committed to ensuring staff, customers, members of the public, and anyone who interacts with the Group remain safe and well. Safe working practices are a constant focus for all our teams and we invest in safety training.

Although the pace and impact of the Covid-19 is impossible to predict with accuracy, we recognise we look after 196,000 homes nationwide, one-third of which are age-restricted independent retirement living homes. Across the country, FirstPort are and will be working hard to take real care of homes and our customers.

Employees

We recognise that our people play the leading role in our service delivery and in our customers' and clients' experiences of doing business with FirstPort.

The Group operates an active equal opportunities policy and we pride ourselves on our diverse workforce. Our success is a result of our employees working together with different competencies and skills, educational backgrounds, ethnicity, religious beliefs and physical abilities, and we judge performance without prejudice or discrimination.

All colleagues are welcomed and supported, and our robust equal opportunity and diversity policies make sure this is a consistent experience for all employees across our business. We support our employees' health and wellbeing through our Employee Assistance Programme and have trained 40 colleagues as Mental Health First Aiders in 2019.

The Group's policy is to enable and support recruitment of disabled workers. Assistance with initial training is given and we adapt the workplace as appropriate. Once employed, a career plan is developed so as to ensure suitable opportunities for each disabled person. Arrangements are made, wherever possible, for retraining employees who become disabled, to enable them to perform work identified as appropriate to their aptitudes and abilities.

The Group's policy is to consult and discuss with employees, individually and collectively, on matters likely to affect employees' interests. Information on matters of concern to employees is given through news bulletins that seek to achieve a common awareness on the part of all employees, of all factors affecting the Group's performance.

We have continued to invest in our people. We have a comprehensive e-learning platform, in-house classroom-based courses including our proprietary Concierge Academy, and a mentor/mentee programme to help all of our employees learn new skills and progress their careers at FirstPort. We support our employees to pursue relevant professional qualifications, particularly with the IRPM, and we run bespoke leadership programmes with Ashridge University.

We welcomed our fourth graduate scheme intake in September 2019, giving eight graduates the opportunity to become residential property managers at the end of their 12-month programme. All of our 2018-19 graduates are now working in operational roles across the business.

Our commitment to supporting our employees has been recognised by the Top Employers Institute who have accredited FirstPort for the second consecutive year as one of the UK's Top Employers. We are one of only 82 companies to receive this prestigious certification, and the only residential property manager to have achieved this.

FIRSTPORT LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

Ethical standards and principles

Ethics and transparency are the cornerstones of our corporate principles. We have strong corporate policies and safeguards in place and a history of abiding by and promoting high ethical standards. All employees are responsible for adhering to the business practices that follow both the letter and the spirit of the law, as well as our Code of Conduct that reflects the highest standards of corporate and individual behaviour.

Environmental and social responsibility

We have a responsibility to positively affect the quality of life of our employees, their families and the wider communities in which we operate. We continue to support and encourage everyone who is involved with both local and national charities and welfare initiatives.

Following an employee vote to select our charity partner FirstPort has partnered with Centrepoint, a leading youth homelessness charity, since December 2018. In the first year we raised over £52,000 for Centrepoint and held more than 65 different fundraising events and activities with employees, customers and clients all getting involved.

We have continued our commitment to reducing our business' carbon footprint, and work is in progress to embed further our environmental, social and corporate responsibilities into our culture. This will be done through a framework that will play an integral role in decision-making when procuring third party services for customers. We are working with Business in the Community (BITC) and are beginning the processes to achieve our Carbon Trust award and ISO 4001.

FIRSTPORT LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

Principal Risks & Uncertainties

Risk	Risk Description	Mitigation
Health and safety ("H&S")	The risk of breaches of H&S standards resulting in injuries, environmental damage or physical damage to property leading to financial penalties, reputational damage and delays to site related activities	<ul style="list-style-type: none">• Dedicated H&S team under the guidance of skilled H&S Director• Robust H&S culture with safety risk register
Contract retention	The risk associated to the dependency on key client/customer contracts and the loss of contracts	<ul style="list-style-type: none">• Delivery of high-quality customer service under standardised 'four pillars' approach• Maintaining a regular dialogue with individual and business customers.• Commitment to the principles set out in its Customer Charter
Reputation	The risk of damage to brand name or reputation either through our people, our behaviours, or third parties acting on our behalf	<ul style="list-style-type: none">• Improvement in customer service and clear complaints processes reduce the risk of issues escalating• Monitoring and responding to customer feedback on employees and third party supplier services• Whistle-blower hotline
Economic risks and changes in market dynamics	Failure to respond effectively to developments in the broader economy, competition and other market or fiscal dynamics, including Brexit and COVID-19	<ul style="list-style-type: none">• Resilient UK based business model• Significant experience and expertise in chosen markets• Frequent review of competition• Market insight and intelligence
Financial management	Failure to maintain appropriate financial controls throughout the business, including the management of debt covenants, credit risk, fraud risk and taxation	<ul style="list-style-type: none">• Experienced finance team• Financial control environment• Close monitoring of financial performance, debt covenants and credit risk by senior management• Board oversight of financial performance
Systems dependence and business continuity	The risk associated with the non-delivery and future-proofing of our technology, including the potential impact of business interruption through systems and facilities	<ul style="list-style-type: none">• Investment in appropriate technology and staff• IT governance structure• IT resilience and disaster recovery plans designed to restore service• Business continuity plan for each business operational office• Cyber security accreditation

FIRSTPORT LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

Principal Risks & Uncertainties (continued)

Risk	Risk Description	Mitigation
Legal and regulatory compliance	The risk of failing to comply with relevant laws, regulations and Standards including AML, CCO, Gender Pay Reporting and Modern Slavery	<ul style="list-style-type: none">• Employment of qualified advisors both internally and externally who report regularly to the Board about all significant legislative changes in the UK• Development of internal policies and procedures to ensure adequate capture of legal and regulatory compliance issues• Maintenance of risk register for all current regulatory issues• Training programmes for staff
People Risk	The risk that we fail to attract and retain high calibre employees in order to deliver on all aspects of our strategy	<ul style="list-style-type: none">• HR strategy encompassing recruitment, reward, retention, talent development and performance management• Succession planning for middle and senior management• Regular review of top talent in the organisation regardless of level by all executive members
Data protection and privacy risk	The risk of the loss or misuse of customer or employee data	<ul style="list-style-type: none">• Information security policies encompassing data protection• Investment in appropriate technology and staff• General data protection regulation (GDPR) steering committee• Breach register and ICO registration

FIRSTPORT LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

Governance and risk management

The Board and management team

FirstPort Limited has a board comprising of two directors and is ultimately owned and controlled by Drive Topco Limited ("Group"). The Group has policies in place that are applicable and adhered to by the company.

The company's board meets approximately ten times per annum. Health and safety performance, any accidents, and lessons from any near-miss events are reviewed and considered at Board meetings.

Internal control and risk management

The Group's approach to internal audit is to agree a risk framework which is reviewed at Board meetings along with mitigating strategies and the latest status of the risks. The Group also maintains and monitors a set of detailed policy documents across all areas of operations. Key areas in which such policies exist include health and safety, procurement, finance and governance (including competition and bribery). The Group utilises the support of external experts to conduct ad hoc reviews of specific areas of the business that the Board considers may prevent risk to the shareholder.

External audit

PricewaterhouseCoopers LLP act as external auditors of the company. The performance of the auditors is overseen by the Audit Committee of the Group.

Financial risk management

The company's operations expose it to a variety of financial risks that include the effects of credit, liquidity and cash flow risk. The company has in place robust controls that seek to limit the adverse effects in the financial performance of the company by monitoring potential financial risks to which the company is subject.

The company has a large base of UK residential customers which reduces the concentration of credit risk. Where we transact with corporate customers, credit control teams exist with strict processes being operated to manage and mitigate the risk of non-payment of charges.

The company is part of the Drive Topco Limited group's cash management and forecasting processes which are in place to manage cash flow and liquidity within the existing Group financing arrangements.

Statement on the Directors' performance of their statutory duties in accordance with s172 (1) Companies Act 2006

The Directors of the Group, as those of all UK companies, must act in accordance with a set of general duties. These duties are detailed in the UK's Companies Act and include a duty to promote the success of the company.

As part of their induction, the Directors are briefed on their duties and they can access professional advice on these through the Group or, if they judge it necessary from an independent provider.

The following paragraphs summarise how the Directors fulfil their duties:

Decision-making

The Board undertake an in-depth review of the Group's strategy on a regular basis, including a 5-year business plan. Once approved by the Board, the plan and strategy form the basis for financial budgets, resource plans and investment decisions of the Group. In making decisions concerning the business plan and future strategy, the Board take into consideration a variety of matters including the interest of various stakeholders, the consequences of its decisions in the long term and its long-term reputation. For more details on the strategic developments in 2019, see page 3.

In a large Group such as this, the Directors fulfil their duties partly through a governance framework that delegates day-to-day decision making to employees of the Group through delegated authorities. For more details on our governance structure, see page 8. The Board reserve certain matters for its own considerations so that it can exercise judgement directly when making major decisions.

FIRSTPORT LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

The Directors maintain oversight of the Group's performance over the year and ensure that management is acting in accordance with strategy, and plan as agreed by the Board. The Board also effectively identify, evaluate, manage and mitigate the risk the Group faces, details are provided in pages 6 and 7.

Our people

Employees are central to the long-term success of the group, as such, the Board consider their interest, and, to assist in doing so, have means of engaging with and understanding their views. Refer to page 4 for more details on our people.

Business relationships

The Board ensure that engagement in the organisation exists at all levels and that decisions made are primarily customer centric. However, with a wide stakeholder base that includes clients, suppliers, employees, and society more widely, all decisions take the entire stakeholder population into consideration.

Community and environment

The Group aims to create positive change for the people and communities it interacts with, details are in page 5.

Business relationships

Our purpose, our vision and our operating model provides the key elements of how the Group maintains a reputation for high standards of business conduct, refer to page 1.

Directors and our employees are required to behave ethically and with transparency, details in page 5.

Shareholders

The Group's majority shareholder have appointed 2 directors to the board of Drive Topco Limited, of which this company is a part of, and contribute to the strategic direction of the Group.

Approval of Strategic Report

This Annual Report comprises a strategic report for the company which has been drawn up and presented in accordance with, and in reliance upon, applicable English company law, in particular Chapter 4A of the Companies Act 2006, and the liabilities of the directors in connection with this report shall be subject to the limitations and restrictions provided by such law.

Approved by the Board of Directors and signed on behalf of the Board.



O Saleh

Director

30 June 2020

FIRSTPORT LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2019

The directors present their annual report and audited financial statements for the year ended 31 December 2019.

Principal activities

The principal activity of the company continued to be that of the provision of shared services to fellow subsidiary companies. The company forms part of the FirstPort division of Drive Topco Limited, the "Group".

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

O Saleh
N Howell

Results and dividends

The results for the year are set out on page 15.

No ordinary dividends were paid (2018: £11.8m). The directors do not recommend payment of a final dividend (2018:£nil).

Directors' insurance

The group maintains insurance policies on behalf of all the directors against liability arising from negligence, breach of duty and breach of trust in relation to the group. This is a qualifying third party indemnity provisions made for the benefit of its directors during the year. These provisions remain in force at the reporting date.

Financial risk management

Information on financial risk management is included in the Strategic report on page 8.

Research and development

Information on the research and development of an internally developed software is included in note 10 on page 30.

Disabled persons

Information on disabled persons is included in the Strategic Report on page 4.

Employees

Information on employees is included in the Strategic Report on page 4.

Future developments

The future developments of the business are discussed in the Strategic Report on page 3.

Going concern

Refer to the accounting policies (note 1.4) for a review of going concern.

FIRSTPORT LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

Statement of directors' responsibilities in respect of the financial statements

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", 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 company and of the profit or loss of the company for that period. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- 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 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.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006.

Directors' confirmations

In the case of each director in office at the date the Directors' Report is approved:

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

On behalf of the board



O Saleh
Director

30 June 2020

FIRSTPORT LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF FIRSTPORT LIMITED

Report on the audit of the financial statements

Opinion

In our opinion, FirstPort Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2019 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: the Balance sheet as at 31 December 2019; the Profit and loss account, the Statement of comprehensive income and the Statement of changes in equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which 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.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern.

FIRSTPORT LIMITED

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF FIRSTPORT LIMITED

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance 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 an apparent *material inconsistency or material misstatement*, we are required to *perform procedures to conclude whether there is a material misstatement of 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 based on these responsibilities.

With respect to the Strategic Report and Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

Strategic Report and Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic Report and Directors' Report for the year ended 31 December 2019 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic Report and Directors' Report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of directors' responsibilities in respect of the financial statements set out on page 11, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they 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.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

FIRSTPORT LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF FIRSTPORT LIMITED

Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.



Diane Walmsley (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
30 June 2020

FIRSTPORT LIMITED

PROFIT AND LOSS ACCOUNT AND STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2019

PROFIT AND LOSS ACCOUNT

	Note	2019 £	2018 £
Turnover	3	26,106,995	28,853,408
Administrative expenses		(28,269,529)	(30,657,725)
Exceptional items	4	(2,202,453)	8,522,689
Operating (loss)/profit	5	(4,364,987)	6,718,372
Income from shares in group undertakings		-	16,800,000
Interest receivable from group undertakings		1,405,347	-
Interest payable and similar expenses	9	(3,762,505)	25,956
(Loss)/profit before taxation		(6,722,145)	23,544,328
Tax on (loss)/profit	10	174,380	174,753
(Loss)/profit for the financial year		(6,547,765)	23,719,081

The profit and loss account has been prepared on the basis that all operations are continuing operations.

STATEMENT OF COMPREHENSIVE INCOME

	2019 £	2018 £
(Loss)/profit for the year	(6,547,765)	23,719,081
Other comprehensive income	-	-
Total comprehensive (expense)/income for the year	(6,547,765)	23,719,081

FIRSTPORT LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2019

	Note	2019		2018	
		£	£	£	£
Fixed assets					
Intangible assets	11	5,509,736		1,440,988	
Tangible assets	12	3,097,389		4,274,788	
Investments	13	40,041,104		34,580,844	
		<u>48,648,229</u>		<u>40,296,620</u>	
Current assets					
Debtors	15	68,452,007		18,760,985	
Creditors: amounts falling due within one year	16	<u>(24,791,742)</u>		<u>(30,810,120)</u>	
Net current assets/(liabilities)		43,660,265		(12,049,135)	
Total assets less current liabilities		<u>92,308,494</u>		<u>28,247,485</u>	
Creditors: amounts falling due after more than one year	17	(61,257,315)		-	
Net assets		<u>31,051,179</u>		<u>28,247,485</u>	
Capital and reserves					
Called up share capital	22	34,580,845		25,229,386	
Revaluation reserve		92,925		92,925	
Profit and loss account		<u>(3,622,591)</u>		<u>2,925,174</u>	
Total equity		<u>31,051,179</u>		<u>28,247,485</u>	

The notes on pages 18 to 40 and integral part of these financial statements.

The financial statements on pages 15 to 40 were approved by the board of directors and authorised for issue on 30 June 2020 and are signed on its behalf by:



O Saleh
Director

Company Registration No. 04352396

FIRSTPORT LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2019

	Note	Called up share capital £	Revaluation reserve £	Profit and loss reserves £	Total equity £
Balance at 1 January 2018		1	92,925	(8,993,907)	(8,900,981)
Year ended 31 December 2018:					
Profit and total comprehensive income for the year		-	-	23,719,081	23,719,081
Issue of share capital		25,229,385	-	-	25,229,385
Dividends		-	-	(11,800,000)	(11,800,000)
Balance at 31 December 2018		25,229,386	92,925	2,925,174	28,247,485
Year ended 31 December 2019:					
Loss and total comprehensive expense for the year		-	-	(6,547,765)	(6,547,765)
Issue of share capital	22	9,351,459	-	-	9,351,459
Balance at 31 December 2019		34,580,845	92,925	(3,622,591)	31,051,179

FIRSTPORT LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2019

1 Accounting policies

General Information

FirstPort Limited is a private company limited by shares incorporated in the United Kingdom. The registered office is Queensway House, 11 Queensway, New Milton, Hampshire, United Kingdom, BH25 5NR.

1.1 Statement of compliance

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

1.2 Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below.

These policies have been consistently applied to all the years presented, unless otherwise stated.

1.3 Basis of preparation

The financial statements present information about the company as an individual undertaking and not about its group. The company has not prepared group financial statements as it is exempt from the requirement to do so by section 400 of the Companies Act 2006 as it is a wholly owned subsidiary of Drive Topco Limited and its results are included in the consolidated financial statements of that entity.

These financial statements are prepared on a going concern basis and under the historical cost convention. The preparation of financial statements in conformity with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 2.

FIRSTPORT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

1 Accounting policies

(Continued)

1.4 Going concern

The operations of the company are managed as part of the Drive Topco Limited Group ("Group"). The company is funded via the Group's bank facilities, held in this company, and therefore manages its day-to-day working capital requirements in line with the Group's facilities. The ability of the group to service its debt obligations is critical to the ongoing trading of the business and the Directors have considered the key factors that could have an impact on trading and whether an adverse change in these factors could affect our ability to meet our liabilities. The Group has a considerable number of on-going management contracts and accordingly the forecasts and projections, taking account of reasonably possible changes in trading performance, show that the Group should be able to operate within the level of its current facilities.

As part of assessing the ability to continue as a going concern, the Group also considered the impact of the COVID-19 pandemic and any related potential economic downturn on its business. During this assessment, management conducted various scenario analysis with sufficient depth and duration, considering different levels of revenue reduction, working capital implications and mitigating actions available to management. Management created three scenarios which modelled the effect of incremental reductions to revenue and cost and the duration of its recovery to usual levels on the Group's results for the period up to the end of 2021. There are three revenue streams which management do not expect to be materially affected due to their nature, and hence have not been altered in the three scenarios. In each scenario, sufficient liquidity and headroom on the Group's covenant were demonstrated. Even though the COVID-19 pandemic has presented a high level of uncertainty to all businesses, FirstPort operates as a resilient business and has the capabilities to continue to operate for the foreseeable future and for at least the period of twelve months following the date of approval of these financial statements.

The Directors of the Company have received confirmation that Drive Topco Limited intends to provide financial support for a period of at least 12 months from the date of signing these financial statements. As with any company placing reliance on other Group entities for financial support, the Directors acknowledge that there can be no certainty that this support will continue, although at the date of approval of these financial statements, they have no reason to believe that it will not do so.

After making enquiries, the Directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future and for at least the period of twelve months following the date of approval of these financial statements. The company therefore continues to adopt the going concern basis in preparing its financial statements.

1.5 Exemptions for qualifying entities under FRS 102

FRS 102 allows a qualifying entity certain disclosure exemptions, subject to certain conditions, which have been complied with, including notification of, and no objection to, the use of exemptions by the company's shareholders. The company has taken advantage of the following exemptions:

(i) from preparing a statement of cash flows required under FRS 102 paragraph 3.17(d), on the basis that it is a qualifying entity and a consolidated statement of cash flows is included in the consolidated financial statements of the company's ultimate parent, Drive Topco Limited, which includes any cash flows of the company;

(ii) from the financial instrument disclosures, required under FRS 102 paragraphs 11.39 to 11.48A and paragraphs 12.26 to 12.29, as the information, to the extent required, is provided in the consolidated financial statement disclosures of Drive Topco Limited;

(iii) from disclosing the company key management personnel compensation, required by FRS 102 paragraph 33.7, as the information is provided in the consolidated financial statement disclosures of Drive Topco Limited; and

(iv) from disclosing related party transactions, required under FRS 102 paragraph 33.9, on the basis that Drive Topco Limited has control, joint control or significant influence over both the company and the related entities.

FIRSTPORT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

1 Accounting policies

(Continued)

1.6 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and represents the amount receivable for goods supplied or services rendered, net of discounts and rebates allowed by the company and value added taxes.

The company recognises revenue when (a) the significant risks and rewards of ownership have been transferred to the buyer; (b) the company retains no continuing involvement in or control over the goods; (c) the amount of revenue can be measured reliably; (d) it is probable that future economic benefits will flow to the entity and (e) when the specific criteria relating to the type of revenue have been met as described below.

(i) Management recharges

Revenue is derived from the provision of shared support services to other group companies. Revenue is recognised in the accounting period in which the performance of the services has been provided to the customer.

1.7 Exceptional items

The company classifies certain non-recurring charges or credits in a financial year that are not part of the underlying trading business, that have a material impact on the company's financial results as 'exceptional items'. These are disclosed separately to provide a fair view of the financial performance of the company.

1.8 Employee benefits

The company provides a range of benefits to employees, including annual bonus arrangements, paid holiday arrangements and defined contribution pension plans.

(i) Short term benefits

Short term benefits, including holiday pay and other similar non-monetary benefits, are recognised as an expense in the period in which the service is received. An accrual is recognised at the balance sheet date for any material remaining obligations to employees.

(ii) Defined contribution pension plan

The company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payment obligations. The contributions are recognised as an expense when they are payable in accordance with the rules of the scheme. Amounts due but not paid are shown in accruals in the balance sheet. The assets of the plan are held separately from the company in independently administered funds.

(iii) Annual bonus plan

The Group operates annual bonus plans for employees. An expense is recognised in the profit and loss account when the company has a legal or constructive obligation to make payments under the plans as a result of past events and a reliable estimate of the obligation can be made.

FIRSTPORT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

1 Accounting policies

(Continued)

1.9 Taxation

Taxation credit for the period comprises current and deferred tax recognised in the reporting period. Tax is recognised in the profit and loss account, except to the extent that it relates to items recognised in other comprehensive income or directly in equity in which case the related tax is also recognised in other comprehensive income or directly in equity respectively.

Current or deferred tax assets and liabilities are not discounted.

Current tax

Current tax is the amount of income tax payable in respect of the taxable profit for the year or prior years. Tax is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the period end. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax

Deferred tax arises from timing differences that are differences between taxable profits and total comprehensive income as stated in the financial statements. These timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements. Deferred tax is also recognised in relation to assets and liabilities acquired in a business combination where the amount that will be deducted or assessed for tax differs to the fair value at which the asset or liability is recognised on acquisition in the financial statements. The tax base of an asset or liability is determined based on the expected manner of recovery.

Deferred tax is recognised on all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are only recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the period end and that are expected to apply to the reversal of the timing difference.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax assets and liabilities arise from income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an ability and intention to settle the balances at the same time.

1.10 Intangible fixed assets other than goodwill

Intangible assets are stated at cost less accumulated amortisation and accumulated impairment losses. Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date if the fair value can be measured reliably.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Software

straight-line over 3 years

FIRSTPORT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

1 Accounting policies

(Continued)

Costs associated with maintaining computer software are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Group are recognised as intangible assets when the following criteria are met:

- it is technically feasible to complete the software so that it will be available for use;
- management intends to complete the software and use or sell it;
- there is an ability to use or sell the software;
- it can be demonstrated how the software will generate probable future economic benefit;
- adequate technical, financial and other resources to complete the development and to use or sell the software are available; and
- the expenditure attributable to the software during its development can be reliably measured.

Other development expenditures that do not meet these criteria are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

1.11 Tangible fixed assets

Tangible assets are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes the original purchase price, costs directly attributable to bringing the asset to its working condition for its intended use, dismantling and restoration costs.

Depreciation on other assets is calculated, using the straight-line method, to allocate the depreciable amount to their residual values over their estimated useful lives, as follows:

Office equipment, fixtures and fittings	straight-line over 3 to 5 years
---	---------------------------------

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

The assets' residual values and useful lives are reviewed, and adjusted, if appropriate, at the end of each reporting period. The effect of any change is accounted for prospectively.

Subsequent costs, including major inspections, are included in the assets carrying amount or recognised as a separate asset, as appropriate, only when it is probable that economic benefits associated with the item will flow to the Group and the cost can be measured reliably.

Repairs, maintenance and minor inspection costs are expensed as incurred.

Tangible assets are derecognised on disposal or when no future economic benefits are expected. On disposal, the difference between the net disposal proceeds and the carrying amount is recognised in the profit and loss account and included in other operating income.

1.12 Leased assets

At inception the company assesses agreements that transfer the right to use assets. The assessment considers whether the arrangement is, or contains, a lease based on the substance of the arrangement.

Leases of assets that transfer substantially all the risks and rewards incidental to ownership are classified as finance leases.

Finance leases are capitalised at commencement of the lease as assets at the fair value of the leased asset or, if lower, the present value of the minimum lease payments calculated using the interest rate implicit in the lease. Where the implicit rate cannot be determined the company's incremental borrowing rate is used. Incremental direct costs, incurred in negotiating and arranging the lease, are included in the cost of the asset.

FIRSTPORT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

1 Accounting policies

(Continued)

1.13 Investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

1.14 Impairment of fixed assets

At each balance sheet date non-financial assets not carried at fair value are assessed to determine whether there is an indication that the asset (or asset's cash-generating unit) may be impaired. If there is such an indication the recoverable amount of the asset (or asset's cash-generating unit) is compared to the carrying amount of the asset (or asset's cash-generating unit).

The recoverable amount of the asset (or asset's cash-generating unit) is the higher of the fair value less costs to sell and value in use. Value in use is defined as the present value of the future cash flows before interest and tax obtainable as a result of the asset's (or asset's cash-generating unit) continued use. These cash flows are discounted using a pre-tax discount rate that represents the current market risk-free rate and the risks inherent in the asset.

If the recoverable amount of the asset (or asset's cash-generating unit) is estimated to be lower than the carrying amount, the carrying amount is reduced to its recoverable amount. An impairment loss is recognised in the profit and loss account.

If an impairment loss is subsequently reversed, the carrying amount of the asset (or asset's cash-generating unit) is increased to the revised estimate of its recoverable amount, but only to the extent that the revised carrying amount does not exceed the carrying amount that would have been determined (net of depreciation or amortisation) had no impairment loss been recognised in prior years. A reversal of an impairment loss is recognised in the profit and loss account. Goodwill is allocated on acquisition to the cash-generating unit expected to benefit from the synergies of the combination. Goodwill is included in the carrying value of cash-generating units for impairment testing. Any previous impairment of goodwill is not reversed.

1.15 Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks and bank overdrafts.

1.16 Financial instruments

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

FIRSTPORT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

1 Accounting policies

(Continued)

(i) Financial assets

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

Such assets are subsequently carried at amortised cost using the effective interest method.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled; or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party.

(ii) Financial liabilities

Basic financial liabilities, including trade and other payables, bank loans, loans from fellow group companies and bank overdrafts, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities.

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

(iii) Offsetting

(i) Offsetting

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

1.17 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares are shown in equity as a deduction, net of tax, from the proceeds.

1.18 Related parties

The company discloses transactions with related parties not wholly owned by Drive Topco Limited. It does not disclose transactions with other group companies wholly owned by Drive Topco Limited.

FIRSTPORT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

2 Critical accounting judgements and estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

(a) Critical accounting judgements in applying the company's accounting policies

There are no areas within the financial statements where management has been required to apply a critical judgement.

(b) Key accounting estimates and assumptions

The company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

(i) Deferred tax assets

The recognition of deferred tax assets, particularly relating to previously incurred losses, requires judgement, including in relation to the future taxable profits of the entities that incurred the losses, the types of losses and future income, the utilisation of capital allowances in any year, and the extent of group relief transfers to be made across the Group.

3 Turnover

The company's turnover is all derived from its principal activity in the UK, that being the provision of shared services to fellow FirstPort companies.

4 Exceptional items

	2019 £	2018 £
Gain from intercompany loan write off	-	(8,630,130)
Transactional costs	2,202,453	-
Other exceptional items	-	107,441
	<u>2,202,453</u>	<u>(8,522,689)</u>

Exceptional charges consist of transactional costs that relate primarily to one-off costs incurred from the change in the investor base including due diligence and restructuring costs. These costs were necessary for the transaction to proceed.

FIRSTPORT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

5 Operating (loss)/profit

	2019	2018
	£	£
Operating (loss)/profit for the year is stated after charging:		
Depreciation of tangible assets	2,188,740	3,248,954
Amortisation of intangible assets	177,269	37,522
Operating lease charges	1,323,654	343,838

6 Auditors' remuneration

	2019	2018
	£	£
Fees payable to the company's auditors and its associates:		
For audit services		
Audit of the company's financial statements	9,256	-
Audit of financial statements for other entities within the Drive Topco Group	319,805	-
	<u>329,061</u>	<u>-</u>
For other services		
Audit-related assurance services	6,079	-
Taxation compliance services	95,450	-
Other taxation services	140,310	-
Services relating to corporate finance transactions	516,000	-
All other non-audit services	20,384	-
	<u>778,223</u>	<u>-</u>

In 2019, the company incurred all fees from the company's auditors in relation to the Drive Topco Limited group of companies. In 2018, Knight Square Limited, a fellow group subsidiary incurred all audit fees for the Group of £306k.

The cost of auditing these financial statement for the year was £9,256 (2018:£5,513).

The taxation compliance, taxation advisory and other services have not been allocated to subsidiary companies.

FIRSTPORT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

7 Employees

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

	2019 Number	2018 Number
Office and management	304	401

Their aggregate remuneration comprised:

	2019 £	2018 £
Wages and salaries	13,041,789	14,690,175
Social security costs	1,218,512	1,238,471
Other pension costs	426,412	357,481
Total aggregate remuneration before capitalised costs	14,686,713	16,286,127
Less capitalised costs	(411,510)	(844,834)
Aggregate remuneration charged to profit and loss	14,275,203	15,441,293

During the year ended 31 December 2019, FirstPort Limited capitalised wages and salaries of £347,999 (2018: £748,043), social security cost of £43,393 (2018: £77,187) and other pension cost of £20,118 (2018: £19,604). Capitalised wages forms part of the cost of internally developed software.

FIRSTPORT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

8 Directors' remuneration

	2019 £	2018 £
Aggregate emoluments	1,144,991	442,117
	<u>1,144,991</u>	<u>442,117</u>

There are no directors for whom retirement benefits are accruing under defined contribution schemes (2018: none).

Remuneration disclosed above include the following amounts paid to the highest paid director:

	2019 £	2018 £
Aggregate emoluments	598,949	261,195
	<u>598,949</u>	<u>261,195</u>

The directors were remunerated by FirstPort Limited up to 6 September 2019 when Equistone Europe Partners acquired Knight Square Holdings Limited Group. After the acquisition, these directors were remunerated by Drive Bidco Limited. These directors' remunerations are not disclosed here as their services to this company are merely incidental to their employment in the wider group. Details of these directors' remunerations can be found in the financial statements Drive Bidco Limited.

9 Interest payable and similar expenses

	2019 £	2018 £
Interest on bank overdrafts and loans	3,392,472	-
Interest on finance leases and hire purchase contracts	2,197	-
Loan fee amortisation	367,836	-
	<u>3,762,505</u>	<u>-</u>

Debt issue costs, including loan amortisation fees, which are directly incurred in arrangement of borrowing facilities are included within the calculation of the effective interest rate on the borrowing, but are disclosed separately as the company consider this information aids in the understanding of the total financing costs.

FIRSTPORT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

10 Tax on (loss)/profit

	2019 £	2018 £
Deferred tax		
Origination and reversal of timing differences	(70,857)	(196,520)
Changes in tax rates	7,459	20,686
Adjustments in respect of prior periods	(110,982)	1,081
Total deferred tax	(174,380)	(174,753)

The credit for the year can be reconciled to the loss per the profit and loss account as follows:

	2019 £	2018 £
(Loss)/profit before taxation	(6,722,145)	23,544,328
Expected tax (credit)/charge based on the standard rate of corporation tax in the UK of 19.00% (2018: 19.00%)	(1,277,207)	4,473,422
Non-deductible expenses	131,952	147,100
Non-taxable income	(3,724)	(4,831,725)
Adjustments in respect of prior periods	(110,982)	1,081
Effect of change in tax rates and laws	7,459	20,686
Group relief	833,265	127,420
Transfer pricing	244,857	(112,737)
Total tax credit for the year	(174,380)	(174,753)

In the Spring Budget 2020, the Government announced that from 1 April 2020 the corporation tax rate would remain at 19% (rather than reducing to 17%, as previously enacted). This new law was substantively enacted on 17 March 2020. As the proposal to keep the rate at 19% had not been substantively enacted at the balance sheet date, its effects are not included in these financial statements.

Deferred tax balances at 31 December 2019 were measured at 17% (2018: 17%) for items that are expected to be charged or credited to the profit and loss account in the next financial year.

FIRSTPORT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

11 Intangible assets

	Software £
Cost	
At 1 January 2019	1,478,510
Additions	4,246,017
	<hr/>
At 31 December 2019	5,724,527
	<hr/>
Accumulated amortisation and impairment	
At 1 January 2019	37,522
Amortisation charged for the year	177,269
	<hr/>
At 31 December 2019	214,791
	<hr/>
Carrying amount	
At 31 December 2019	5,509,736
	<hr/>
At 31 December 2018	1,440,988
	<hr/>

The software intangible assets include the company's internally developed digital transformation program which is being developed for the Group's future operating growth requirements. Total development cost incurred in the current year was £4,246k and has been classified as intangible assets under construction as at 31 December 2019. There have been no costs that were originally capitalised and then subsequently written off. These costs are capitalised as they are directly attributable to the development of the software. The software will begin amortisation when the development of the software is complete.

12 Tangible assets

	Office equipment, fixtures and fittings £
Cost	
At 1 January 2019	12,653,635
Additions	1,011,341
	<hr/>
At 31 December 2019	13,664,976
	<hr/>
Accumulated depreciation	
At 1 January 2019	8,378,847
Depreciation charged in the year	2,188,740
	<hr/>
At 31 December 2019	10,567,587
	<hr/>
Carrying amount	
At 31 December 2019	3,097,389
	<hr/>
At 31 December 2018	4,274,788
	<hr/>

FIRSTPORT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

13 Fixed asset investments

	Notes	2019 £	2018 £
Investments in subsidiaries	27	40,041,104	34,580,844

The company has not designated any financial assets that are not classified as financial assets at fair value through profit or loss.

Movements in fixed asset investments

	Shares in group undertakings £
Cost or valuation	
At 1 January 2019	34,580,844
Additions (note 14)	5,460,260
At 31 December 2019	40,041,104
Carrying amount	
At 31 December 2019	40,041,104
At 31 December 2018	34,580,844

14 Acquisitions

On 16 March 2019 the company acquired 100% shareholding of Barratt Residential Asset Management Limited.

	Fair Value £
Intangible assets	3,953,251
Property, plant and equipment	1,498
Trade and other receivables	2,033,146
Cash and cash equivalents	733,982
Trade and other payables	(1,884,472)
Tax liabilities	(175,332)
Retirement benefit pension scheme	(671,183)
Total identifiable net assets	3,990,890
Goodwill	1,469,370
Total consideration	5,460,260

FIRSTPORT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

14 Acquisitions

(Continued)

Satisfied by:	£
Cash	5,460,260

Upon acquisition, the business had net assets with a book value of £718k. An intangible asset relating to the acquired business's customer relationships was identified and its fair value was measured at £3,953k. A deferred tax liability of £680k has been recognised on the intangible assets which has been added to goodwill.

Contribution by the acquired business to the Group's performance for the reporting period since acquisition:	£
Turnover	2,940,642
Profit after tax	400,012

The goodwill of £1,469k from the acquisition is attributable to the expertise and experience of the workforce acquired, the customer relationships and economies of scale expected from combining the operations into the Group. Management have estimated the useful life of the goodwill to be 20 years. The goodwill and customers relationships have been disclosed in the consolidated financial statements for Knight Square Holdings Limited Group.

The customer contracts intangible asset has been attributed a useful life of 10 years, as majority of the value generated is in the first 10 years of acquisition.

On 20 March 2019, the company's name changed to FirstPort Property Services No.5 Limited.

FIRSTPORT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

15 Debtors

	2019 £	2018 £
Trade debtors	135,488	105,685
Deferred tax asset (note 20)	480,164	305,784
Amounts owed by group undertakings	65,410,514	15,530,529
Taxation and social security	605,198	-
Other debtors	341,448	1,059,919
Prepayments and accrued income	1,479,195	1,759,068
	<u>68,452,007</u>	<u>18,760,985</u>

Amounts owed by Group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

16 Creditors: amounts falling due within one year

	2019 £	2018 £
Bank overdraft	677,635	3,252,705
Trade creditors	1,319,278	814,244
Amounts owed to group undertakings	19,039,822	24,554,012
Other creditors	1,276,773	37,669
Finance leases (note 19)	-	424,135
Accruals and deferred income	2,478,234	1,727,355
	<u>24,791,742</u>	<u>30,810,120</u>

Amounts owed to Group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

17 Creditors: amounts falling due after more than one year

	2019 £	2018 £
Bank loans and overdrafts	<u>61,257,315</u>	<u>-</u>

FIRSTPORT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

18 Bank loans and overdrafts

	2019 £	2018 £
Bank loans	64,200,000	-
Bank overdrafts	677,635	3,252,705
Deferred financing cost	(2,942,685)	-
	<u>61,934,950</u>	<u>3,252,705</u>
Payable within one year	677,635	3,252,705
Payable after one year	<u>61,257,315</u>	<u>-</u>

Bank loans

On 10 April 2019, the Group undertook a refinancing of the business, repaying in full the existing RBS revolving credit facility held in fellow subsidiary, Knight Square Limited and replacing it with a £81.7m facility currently held in FirstPort Limited comprising of:

Bank facility term schedule:

	Nominal Interest rate	Termination date	Repayment	Credit Facility £
Term loan facility B1	LIBOR + 2.75%	09-Oct-25	At termination date	12,100,000
Term loan facility B2	LIBOR + 6.5%	09-Apr-26	At termination date	52,100,000
Term loan acquisition/capex facility	LIBOR + 6.5%	09-Apr-26	At termination date	10,000,000
Revolving facility	LIBOR + 2.75%	09-Oct-25	At termination date	7,500,000
				<u>81,700,000</u>

The term loan acquisition/ capex facility and revolving facility remains undrawn as at 31 December 2019.

Interest on the facility is cash settled on a six monthly basis. A commitment fee is charged on the undrawn amount on a three monthly basis.

The facility is held by FirstPort Limited and is secured against the shares and assets of Knight Square Limited and its subsidiaries.

The financial covenants attached to term loan facility B1 and B2 were tested as at year end. Compliance with covenants in respect of the external bank debt has been assessed to December 2021 with no breaches forecast.

Deferred financing costs

Deferred financing costs are amortised over the period of the revolving credit facility which makes up the effective interest rate.

FIRSTPORT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

19 Finance lease obligations

	2019 £	2018 £
Future minimum finance lease payments:		
Not later than one year	-	427,333
Later than one year and not later than five years	-	-
Later than five years	-	-
	<hr/>	<hr/>
Total gross payments	-	427,333
Less: finance charges	-	(3,198)
	<hr/>	<hr/>
Carrying amount of liability	-	424,135
	<hr/>	<hr/>

In 2018, the finance lease were related to certain items of plant and machinery. Leases included purchase options at the end of the lease period, and no restrictions were placed on the use of the assets. The average lease term was 36 months. All leases were on a fixed repayment basis and no arrangements had been entered into for contingent rental payments. The leases ended on 31 December 2019, no further finance leases were entered into during the year.

The finance leases were secured by a composite mortgage debenture over shares, rights and assets of Group subsidiaries.

20 Deferred taxation

Deferred tax assets and liabilities are offset where the company has a legally enforceable right to do so. The following is an analysis of the deferred tax balances (after offset) for financial reporting purposes:

	Asset 2019 £	Asset 2018 £
Short term timing differences	3,274	-
Fixed asset timing differences	476,890	305,784
	<hr/>	<hr/>
	480,164	305,784
	<hr/>	<hr/>
Movements in the year:		2019 £
Asset at 1 January 2019		305,784
Credit to profit or loss account		174,380
		<hr/>
Asset at 31 December 2019		480,164
		<hr/>

The company has an unrecognised deferred tax asset of £nil (2018: £nil).

The net deferred tax asset expected to be utilised in 2020 is £3,274 (2019: is £284,715).

FIRSTPORT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

21 Retirement benefit schemes

The company operates a defined contribution pension scheme for all qualifying employees.

	2019 £	2018 £
Charge to profit or loss in respect of defined contribution schemes	406,294	337,877

22 Called up share capital

	2019 £	2018 £
Ordinary share capital		
Issued and fully paid		
34,580,845 (2018: 25,229,386) shares of £1 each	34,580,845	25,229,386

Reconciliation of movement in the year:		£
At 1 January 2019		25,229,386
Issue of fully paid shares		9,351,459
At 31 December 2019		34,580,845

The Ordinary shares carry one vote per share, the right to receive dividends and the right to a return of capital.

23 Contingent liabilities

In 2019, the company is party to a Group Debenture secured over all of its assets in favour of Lucid Trustee Services Limited as a Security Agent acting on behalf of NatWest and Pemberton. The Borrower is FirstPort Limited. The loan balance and accrued interest payable outstanding at the balance sheet date were £64,200k, excluding deferred financing costs and £1,022k respectively.

24 Operating lease commitments

Lessee

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

	2019 £	2018 £
Within one year	159,219	173,136
Between one year and five years	285,338	438,272
	444,557	611,408

FIRSTPORT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

25 Related party transactions

There are no transactions with related parties not wholly owned by the group headed by Drive Topco Limited.

The company is exempt from disclosing other related party transactions as they are with other companies that are wholly owned by the group headed by Drive Topco Limited.

26 Controlling party

The immediate parent undertaking is Knight Square Limited.

In the opinion of the directors, the ultimate controlling party is funds managed by Equistone Partners Europe Limited. Equistone Partners Europe Limited is registered in England and Wales.

Drive Topco Limited, a company registered in the United Kingdom under registration number 12043031, is the parent undertaking of the largest group of undertakings for which group financial statements are prepared. Knight Square Holdings Limited is the parent undertaking of the smallest group of undertakings to consolidate these financial statements at 31 December 2019.

The consolidated financial statements of Drive Topco Limited and Knight Square Holdings Limited are available from Companies House, Crown Way, Maindy, Cardiff, CF4 3UZ or from the Company's registered office at Queensway House, 11 Queensway, New Milton, Hampshire, UK, BH25 5NR.

FIRSTPORT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

27 Subsidiaries

Details of the company's subsidiaries at 31 December 2019 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
Balfour Homes Management Limited	United Kingdom No. 1986825	Dormant	Ordinary Shares		100.00
Brook Farm Court Management Limited	United Kingdom No. 2368738	Dormant	Ordinary Shares		100.00
Cavendish Management (Norwich) Limited	United Kingdom No. 1831847	Dormant	Ordinary Shares	100.00	
Consort Property Management Limited	United Kingdom No. 3479620	Dormant	Ordinary Shares	100.00	
Edgewood Management Services Limited	United Kingdom No. 2948602	Dormant	Ordinary Shares		100.00
Edgewood Retirement Developments Limited	United Kingdom No. 2086525	Dormant	Ordinary Shares		100.00
Ferndale Retirement Management Limited	United Kingdom No. 1709679	Dormant	Ordinary Shares		100.00
FirstPort Bespoke Property Services Limited	United Kingdom No. 1623496	Property management	Ordinary Shares	100.00	
FirstPort HMF Limited	United Kingdom No. 6776392	Investment property	Ordinary Shares	100.00	
FirstPort Investment Properties Limited	United Kingdom No. 4352393	Dormant	Ordinary Shares	100.00	
FirstPort Operations PD Limited	United Kingdom No. 6277828	Investment property	Ordinary Shares	100.00	
FirstPort Property Services Limited	United Kingdom No. 2061041	Property management	Ordinary Shares	100.00	
FirstPort Property Services No.2 Limited	United Kingdom No. 2231168	Property management	Ordinary Shares	100.00	
FirstPort Property Services No.3 Limited	United Kingdom No. 4352415	Dormant	Ordinary Shares	100.00	
FirstPort Property Services No.4 Limited	United Kingdom No. 07299764	Property management	Ordinary Shares	100.00	
FirstPort Property Services Scotland Limited	United Kingdom No. 3829468	Property management	Ordinary Shares		100.00
FirstPort Retirement Limited	United Kingdom No. 3479623	Dormant	Ordinary Shares	100.00	
FirstPort Retirement Property Services Limited	United Kingdom No.1614866	Property management	Ordinary Shares	100.00	
FirstPort Secretarial Limited	United Kingdom No. 5806647	Dormant	Ordinary Shares		100.00
FirstPort Services Limited	United Kingdom No. 9142979	Dormant	Ordinary Shares	100.00	
King George Court Management Limited	United Kingdom No. 3175135	Dormant	Ordinary Shares		100.00
Maclaren Management Services Limited	United Kingdom No. 2142118	Dormant	Ordinary Shares		100.00
Matterdale Gardens Management Limited	United Kingdom No. 2405973	Dormant	Ordinary Shares		100.00
Meridian Homes Limited	United Kingdom No. 1972727	Dormant	Ordinary Shares		100.00

FIRSTPORT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

27 Subsidiaries

(Continued)

Meridian New Homes Limited	United Kingdom No. 2682974	Dormant	Ordinary Shares	100.00
Meridian Property Group Limited	United Kingdom No. 2306958	Dormant	Ordinary Shares	100.00
Meridian Retirement Homes Limited	United Kingdom No. 1885186	Dormant	Ordinary Shares	100.00
Meridian Retirement Housing Services Limited	United Kingdom No. 1833177	Dormant	Ordinary Shares	100.00
Mint Property Management Limited	United Kingdom No. 5643630	Dormant	Ordinary Shares	100.00
OM Nominee Services Limited	United Kingdom No. 6695871	Dormant	Ordinary Shares	100.00
OM Property Management Limited	United Kingdom No. 9143096	Dormant	Ordinary Shares	100.00
OM Property Management No.2 Limited	United Kingdom No. 9375984	Dormant	Ordinary Shares	100.00
Pegasus Court (Abergavenny) Management Limited	United Kingdom No. 2285749	Dormant	Ordinary Shares	100.00
Pegasus Court (Barnwood) Management Limited	United Kingdom No. 2311505	Dormant	Ordinary Shares	100.00
Pegasus Court (Bourton-on-the-Water) Management Limited	United Kingdom No. 2285752	Dormant	Ordinary Shares	100.00
Pegasus Court (Broadway) Management Limited	United Kingdom No. 2392014	Dormant	Ordinary Shares	100.00
Pegasus Court (Fleet) Management Limited	United Kingdom No. 2318677	Dormant	Ordinary Shares	100.00
Pegasus Court (Paignton) Management Limited	United Kingdom No. 2392342	Dormant	Ordinary Shares	100.00
Pegasus Court Cheltenham (Management) Limited	United Kingdom No. 1867554	Dormant	Ordinary Shares	100.00
Pegasus Court Hartley Wintney (Management) Limited	United Kingdom No. 2129138	Dormant	Ordinary Shares	100.00
Pegasus Court Management Limited	United Kingdom No. 2516929	Dormant	Ordinary Shares	100.00
Pegasus Thamesnorth Management Limited	United Kingdom No. 2636137	Dormant	Ordinary Shares	100.00
Pemberton's Maintenance Trustees (Aldford House) Limited	United Kingdom No. 5111218	Dormant	Ordinary Shares	100.00
Pemberton's Residential Limited	United Kingdom No. 9375969	Dormant	Ordinary Shares	100.00
Peverel Building Technologies Limited	United Kingdom No. 9221891	Dormant	Ordinary Shares	100.00
Peverel Management Services Limited	United Kingdom No. 9142759	Dormant	Ordinary Shares	100.00
Peverel Property Management Limited	United Kingdom No. 9146176	Dormant	Ordinary Shares	100.00
Peverel Scotland Limited	United Kingdom No. 9145223	Dormant	Ordinary Shares	100.00

FIRSTPORT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

27 Subsidiaries

(Continued)

Peverel Services Limited	United Kingdom Dormant No. 9146279	Ordinary Shares	100.00
R.C. (Holdings) Limited	United Kingdom Holding company No. 2968054	Ordinary Shares	100.00
R.C. Housing Association Limited	United Kingdom Property management No. IP28150R	Ordinary Shares	100.00
Renaissance Management Services Limited	United Kingdom Dormant No. 3404510	Ordinary Shares	100.00
Retirement Care (Southern) Limited	United Kingdom Dormant No. 2486317	Ordinary Shares	100.00
Retirement Care Group Ltd	United Kingdom Investment property No. 2195300	Ordinary Shares	100.00
Retirement Care Limited	United Kingdom Dormant No. 1706784	Ordinary Shares	100.00
Retirement Homesearch Limited	United Kingdom Specialist estate agent No. 3829469	Ordinary Shares	100.00
Retirement Marketing Services Limited	United Kingdom Dormant No. 2196442	Ordinary Shares	100.00
Stonedale (2012) Limited	United Kingdom Dormant No. 6544398	Ordinary Shares	100.00
FirstPort Property Services No.5 Limited	United Kingdom Property management No. 05876680	Ordinary Shares	100.00

The registered address for all subsidiaries is Queensway House, 11 Queensway, New Milton, Hampshire, UK, BH25 5NR.

The investments in subsidiaries are all stated at cost.

28 Events after the reporting date

In the first half of 2020, businesses around the UK have been impacted by COVID-19 and the UK government measures taken to slow the spread of the pandemic. The Board has carefully reviewed the impact of these events on the Company and the Group and has taken steps to navigate these unprecedented circumstances whilst ensuring that suitable customer service demands are met. COVID-19 is a non-adjusting post balance sheet event for the purposes of the year ended 31 December 2019 and has been considered within the Going Concern assessment in note 1.4. The Board continues to consider the Company and Group as a going concern.

The company has exchanged contracts on the acquisition of Mainstay Group Limited and its subsidiaries. This transaction is subject to the approval of the Financial Conduct Authority (FCA) as at the date of signing these financial statements.