

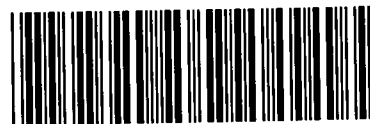
DON'T
STAPLE**OS AA01**Statement of details of parent law and other
information for an overseas company

Companies House

✓ **What this form is for**
You may use this form to
accompany your accounts
disclosed under parent law.

✗ **What this form is NOT**
You cannot use this form
an alteration of manner of
with accounting requirements.

TUESDAY



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A13

25/01/2022

#190

COMPANIES HOUSE

Part 1 Corporate company nameCorporate name of
overseas company ①

LOCKTON INSURANCE BROKERS (IRELAND) LIMITED

UK establishment
number

B R 0 2 1 2 9 9

→ **Filling in this form**Please complete in typescript or in
bold black capitals.All fields are mandatory unless
specified or indicated by *① This is the name of the company in
its home state.**Part 2 Statement of details of parent law and other
information for an overseas company****A1****Legislation**Please give the legislation under which the accounts have been prepared and
audited.

Legislation ②

THE COMPANIES ACT 2014

② This means the relevant rules or
legislation which regulates the
preparation of accounts.**A2****Accounting principles**

Accounts

Have the accounts been prepared in accordance with a set of generally accepted
accounting principles?

Please tick the appropriate box.

☐No. Go to **Section A3**.☒Yes. Please enter the name of the organisation or other
body which issued those principles below, and then go to **Section A3**.③ Please insert the name of the
appropriate accounting organisation
or body.Name of organisation
or body ③

FINANCIAL REPORTING STANDARD 102

OS AA01

Statement of details of parent law and other information for an overseas company

A3

Audited accounts

Audited accounts

Have the accounts been audited in accordance with a set of generally accepted auditing standards?

Please tick the appropriate box.

☐ No. Go to **Part 3 'Signature'**.

☒ Yes. Please enter the name of the organisation or other body which issued those standards below, and then go to **Part 3 'Signature'**.

❶ Please insert the name of the appropriate accounting organisation or body.

Name of organisation or body ❶

FINANCIAL REPORTING STANDARD 102

Part 3

Signature

I am signing this form on behalf of the overseas company.

Signature

Signature

X

SAHYS

X

This form may be signed by:
Director, Secretary, Permanent representative.

**Presenter information**

You do not have to give any contact information, but if you do it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name	KATIA ARDILA									
Company name	LOCKTON COMPANIES LLP									
Address	THE ST BOTOLPH BUILDING									
138 HOUNDSITCH										
Post town	LONDON									
County/Region										
Postcode	E	C	3	A		7	A	G		
Country	UNITED KINGDOM									
DX										
Telephone										

**Checklist**

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

- ☐ The company name and, if appropriate, the registered number, match the information held on the public Register.
- ☐ You have completed all sections of the form, if appropriate.
- ☐ You have signed the form.

**Important information**

Please note that all this information will appear on the public record.

**Where to send**

You may return this form to any Companies House address:

England and Wales:

The Registrar of Companies, Companies House,
Crown Way, Cardiff, Wales, CF14 3UZ.
DX 33050 Cardiff.

Scotland:

The Registrar of Companies, Companies House,
Fourth floor, Edinburgh Quay 2,
139 Fountainbridge, Edinburgh, Scotland, EH3 9FF.
DX ED235 Edinburgh 1

Northern Ireland:

The Registrar of Companies, Companies House,
Second Floor, The Linenhall, 32-38 Linenhall Street,
Belfast, Northern Ireland, BT2 8BG.
DX 481 N.R. Belfast 1.

**Further information**

For further information, please see the guidance notes on the website at www.gov.uk/companieshouse or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.gov.uk/companieshouse

Registered number: 594973

LOCKTON INSURANCE BROKERS (IRELAND) LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 APRIL 2021

LOCKTON INSURANCE BROKERS (IRELAND) LIMITED

DIRECTORS AND OTHER INFORMATION

DIRECTORS	Kieran McHugh Gary Ennis David Pierce Tony Hardy Amanda Harton (Resigned 19 th January 2021) Niall O'Callaghan (Appointed 1 st June 2021) Raymond McKenna (Appointed 1 st June 2021)
COMPANY SECRETARY	Sarah Jeffs
REGISTERED NUMBER	594973
REGISTERED OFFICE	Hambleden House 19-26 Pembroke Street Lower Dublin 2
INDEPENDENT AUDITOR	KPMG Chartered Accountants 1 Harbourmaster Place IFSC Dublin 1
BANKERS	Citibank Europe PLC 1 North Wall Quay North Dock Dublin 1 Lloyds Bank PLC 25 Gresham Street London EC2V 7HN
SOLICITORS	Kane Tuohy Solicitors Hambleden House 19-26 Pembroke Street Lower Dublin 2 D02 WV96 Eversheds Sutherland One Earlsfort Centre Earlsfort Terrace Dublin 2 D02 X688

LOCKTON INSURANCE BROKERS (IRELAND) LIMITED

CONTENTS

	Page
Directors' report	4 - 5
Statement of directors' responsibilities in respect of the directors' report and the financial statements	6
Independent auditor's report to the members of Lockton Insurance Brokers (Ireland) Limited	7 - 9
Profit and loss account and other comprehensive income	10
Balance sheet	11
Statement of changes in equity	12
Notes forming part of the financial statements	13 - 23

LOCKTON INSURANCE BROKERS (IRELAND) LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 30 APRIL 2021**

Introduction

The directors present their directors' report together with the audited financial statements for the year ended 30 April 2021.

Business Review*Principal activities*

The principal activity of Lockton Insurance Brokers (Ireland) Limited (the "Company") is insurance intermediation, as approved by the Central Bank of Ireland under the European Communities (Insurance Mediation) Regulations 2005.

Results and financial position

During the year, the Company received two separate capital injections of €1,000,000 and €2,500,000 from its parent company, Lockton Companies International Limited.

The loss for the year, after taxation, amounted to €2,612,283 (2020: €1,516,922).

As at 30 April 2021 the Company balance sheet shows net assets of €1,428,467 (2020: €540,750).

The directors do not recommend the payment of a dividend (2020:€nil)

Directors, secretary and their interests

The following individuals were directors of the Company for the year ended 30 April 2021:

Kieran McHugh
Gary Ennis
David Pierce
Tony Hardy
Amanda Harton (Resigned 19 January 2021)
Niall O'Callaghan (Appointed 1 June 2021)
Ray McKenna (Appointed 1 June 2021)

The directors and secretary who held office at 30 April 2021 had no interests in the share capital of the Company or other group companies other than those shown below:

Directors and secretary	Name of company and interests held
Gary Ennis	Capital interest units held in Lockton Companies LLP
Tony Hardy	Capital interest units held in Lockton Companies LLP

Accounting records

The directors are responsible for ensuring that proper books and accounting records, as outlined in Section 282 of the Companies Act 2014 are kept by the Company. To achieve this, the directors have appointed a professionally qualified and experienced finance accountant who reports to the board and ensures that the requirements of Section 282 of the Companies Act are complied with. These books and accounting records are/were maintained at the Company's registered office Hambleden House, 19-26 Pembroke Street Lower, Dublin 2.

Political and charitable contributions

The Company made no political or charitable donations or incurred any political expenditure during the year.

LOCKTON INSURANCE BROKERS (IRELAND) LIMITED

**DIRECTORS' REPORT (continued)
FOR THE YEAR ENDED 30 APRIL 2021**

Going concern

The directors consider that it remains appropriate to prepare the financial statements on a going concern basis. The rationale for this decision is provided in the Accounting Policies - Basis of preparation of financial statements note 1.

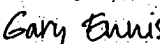
Relevant audit information

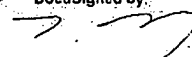
The directors believe that they have taken all steps necessary to make themselves aware of any relevant audit information and have established that the Company's statutory auditors are aware of that information. In so far as they are aware, there is no relevant audit information of which the Company's statutory auditors are unaware.

Auditor

In accordance with Section 383(2) of the Companies Act 2014, the auditor, KPMG, Chartered Accountants, will continue in office.

This report was approved by the board on 15 December 2021 and signed on its behalf.

DocuSigned by:

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Gary Ennis
Director

DocuSigned by:

80BEE9C8DEFB420...
Tony Hardy
Director

LOCKTON INSURANCE BROKERS (IRELAND) LIMITED

**STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF
THE DIRECTORS' REPORT AND THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2021**

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

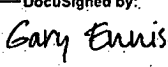
Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

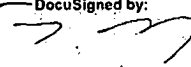
Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position of the Company and of its profit or loss for that year. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the assets, liabilities, financial position and profit or loss of the Company and enable them to ensure that the financial statements comply with the Companies Act 2014. They are responsible for such internal controls as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities. The directors are also responsible for preparing a directors' report that complies with the requirements of the Companies Act 2014.

This report was approved by the board on 15 December 2021 and signed on its behalf.

DocuSigned by:

6A84179DA7EB402...
Gary Ennis
Director

DocuSigned by:

80BEE9C8DEFB420...
Tony Hardy
Director



KPMG
Audit
1 Harbourmaster Place
IFSC
Dublin 1
D01 F6F5
Ireland

Independent auditor's report to the members of Lockton Insurance Brokers (Ireland) Limited

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Lockton Insurance Brokers (Ireland) Limited ('the Company') for the year ended 30 April 2021, which comprise the Statement of Profit and Loss account and Other Comprehensive Income, Balance Sheet and related notes, including the summary of significant accounting policies set out in note 1. The financial reporting framework that has been applied in their preparation is Irish Law and FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

In our opinion:

- the financial statements give a true and fair view of the assets, liabilities and financial position of the Company as at 30 April 2021 and of its loss for the year then ended;
- the financial statements have been properly prepared in accordance with FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland; and
- the financial statements have been properly prepared in accordance with the requirements of the Companies Act 2014.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)) 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 ethical requirements that are relevant to our audit of financial statements in Ireland, including the Ethical Standard issued by the Irish Auditing and Accounting Supervisory Authority (IAASA), and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from the date when the financial statements are authorised for issue.

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



Independent auditor's report to the members of Lockton Insurance Brokers (Ireland) Limited (*continued*)

Other information

The directors are responsible for the other information presented in the Annual Report together with the financial statements. The other information comprises the information included in the directors' report. The financial statements and our auditor's report thereon do not comprise part of 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 as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work we have not identified material misstatements in the other information.

Based solely on our work on the other information undertaken during the course of the audit, we report that:

- we have not identified material misstatements in the directors' report;
- in our opinion, the information given in the directors' report is consistent with the financial statements; and
- in our opinion, the directors' report has been prepared in accordance with the Companies Act 2014.

Opinions on other matters prescribed by the Companies Act 2014

We have obtained all the information and explanations which we consider necessary for the purposes of our audit.

In our opinion the accounting records of the Company were sufficient to permit the financial statements to be readily and properly audited and the financial statements are in agreement with the accounting records.

Matters on which we are required to report by exception

The Companies Act 2014 requires us to report to you if, in our opinion, the disclosures of directors' remuneration and transactions required by Sections 305 to 312 of the Act are not made. We have nothing to report in this regard.

Respective responsibilities and restrictions on use

Responsibilities of directors for the financial statements

As explained more fully in the directors' responsibilities statement set out on page 6, the directors are responsible for: the preparation of the financial statements including being satisfied that they give a true and fair view; 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; 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 they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.



Independent auditor's report to the members of Lockton Insurance Brokers (Ireland) Limited (*continued*)

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 (Ireland) 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 fuller description of our responsibilities is provided on IAASA's website at https://www.iaasa.ie/getmedia/b2389013-1cf6-458b-9b8f-a98202dc9c3a/Description_of_auditors_responsibilities_for_audit.pdf.

The purpose of our audit work and to whom we owe our responsibilities

Our report is made solely to the Company's members, as a body, in accordance with Section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Niall Naughton
for and on behalf of
KPMG
Chartered Accountants, Statutory Audit Firm
1 Harbourmaster Place
IFSC
Dublin 1
Ireland

Date: 16 December 2021

LOCKTON INSURANCE BROKERS (IRELAND) LIMITED

**PROFIT AND LOSS ACCOUNT AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 APRIL 2021**

	Note	Year ended 2021 €	Year ended 2020 €
Turnover	4	2,290,341	3,491,486
Administrative expenses	5	(4,921,397)	(5,034,481)
Other operating income		17,490	28,570
Operating loss	6	(2,613,566)	(1,514,425)
Interest receivable and similar income	8	121	13,174
Interest payable and similar charges	9	(22,894)	(1,094)
Loss on ordinary activities before tax		(2,636,339)	(1,502,345)
Tax credit/(charge) on profit	10	24,056	(14,577)
Loss for the financial period		(2,612,283)	(1,516,922)

All amounts relate to continuing operations.

There was no other comprehensive income for year ended 30 April 2021.

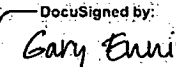
The notes on pages 13 to 23 form part of these financial statements.

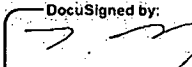
LOCKTON INSURANCE BROKERS (IRELAND) LIMITED

**BALANCE SHEET
AS AT 30 APRIL 2021**

	Note	2021 €	2021 €	2020 €	2020 €
Non-current assets					
Tangible assets	11		4,467		7,585
Deferred tax asset	10		2,790		2,712
			<u>7,257</u>		<u>10,297</u>
Current assets					
Debtors	12	749,532		1,796,258	
Cash and cash equivalents	13	3,060,061		4,451,480	
		<u>3,809,593</u>		<u>6,247,738</u>	
Creditors: amounts falling due within one year	14	<u>(2,343,936)</u>		<u>(5,672,875)</u>	
Net current assets			<u>1,465,657</u>		<u>574,863</u>
Total assets less current liabilities			<u>1,472,914</u>		<u>585,160</u>
Provision for liabilities	15		(44,447)		(44,410)
Net assets			<u>1,428,467</u>		<u>540,750</u>
Capital and reserves					
Called up share capital	16		1,091,375		1,091,373
Share Premium	16		5,199,997		1,699,999
Profit and loss account	17		(4,611,887)		(1,792,566)
Other reserves	17		(517,594)		(724,632)
Capital contribution	17		266,576		266,576
			<u>1,428,467</u>		<u>540,750</u>

The financial statements were approved and authorised for issue by the board and were signed on their behalf on 15 December 2021.

DocuSigned by:

 6A84179DA7EB402...
Gary Ennis
 Director

DocuSigned by:

 80BEE9C8DEFB420...
Tony Hardy
 Director

The notes on pages 13 to 23 form part of these financial statements.

LOCKTON INSURANCE BROKERS (IRELAND) LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 APRIL 2021**

	Called up share capital	Share Premium	Profit and loss account	Other Reserves	Capital Contribution	Total equity
	€	€	€	€	€	€
Balance as at 1 May 2019	1,091,372	-	34,912	(1,035,188)	266,576	357,672
Loss for the year	-	-	(1,516,922)	-	-	(1,516,922)
Share Capital	1	-	-	-	-	1
Share Premium	-	1,699,999	-	-	-	1,699,999
Amortisation of transfer of business	-	-	(310,556)	310,556	-	-
Balance as at 30 April 2020	1,091,373	1,699,999	(1,792,566)	(724,632)	266,576	540,750
Loss for the year	-	-	(2,612,283)	-	-	(2,612,283)
Share Capital	2	-	-	-	-	2
Share Premium	-	3,499,998	-	-	-	3,499,998
Amortisation of transfer of business	-	-	(207,038)	207,038	-	-
Balance as at 30 April 2021	1,091,375	5,199,997	(4,611,887)	(517,594)	266,576	1,428,467

The notes on pages 13 to 23 form part of these financial statements.

LOCKTON INSURANCE BROKERS (IRELAND) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2021**

1. BASIS OF PREPARATION

Lockton Insurance Brokers (Ireland) Limited ("the Company") is a company limited by shares and incorporated and domiciled in the Republic of Ireland. The presentation currency of these financial statements is Euro.

The financial statements have been prepared under the historical cost convention, modified to include certain items at fair value, and in accordance with Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council, and promulgated for use in Ireland by Chartered Accountants Ireland. The Company is also subject to the requirements of the Companies Act 2014.

The Company has availed of the exemptions permitted under FRS 102 in respect of the following disclosures:

- Reconciliation of shares outstanding from the beginning to the end of the year
- Cash flow statement and related notes and
- Disclosures in relation to the compensation of key management personnel

These are the individual Company financial statements of Lockton Insurance Brokers (Ireland) Limited. The Company's ultimate holding Company is Lockton Inc., a company incorporated in the United States. The smallest group in which the Company's results are consolidated, and the largest in which they are publicly available is that headed by UH UK Topco Limited, incorporated in England and Wales. No other UK group financial statements include the result of the Company. These consolidated financial statements may be obtained from The St Botolph Building, 138 Houndsditch, London, EC3A 7AG.

Going concern

Notwithstanding loss of €2.6m for the year-ended 30 April 2021, the financial statements have been prepared on a going concern basis which the directors consider to be appropriate for the following reasons:

- the directors have reviewed relevant budget and cash flow forecasts for a period of not less than 12 months from the date of approving these financial statements and are satisfied that the Company will have sufficient resources available to meet liabilities as they fall due.
- as part of the review undertaken the directors have taken into account the funding that has been made available to the Company, including the group's intercompany credit facility with Lockton Inc.
- amounts owed to group undertakings comprise a significant proportion of creditors and an agreement has been made between major group companies that no intra-group creditors may take action to cause any intra-group financial indebtedness of any group undertaking to become due or to be paid unless the group undertaking has sufficient readily available cash to pay the sum which is due or demanded.

As the Company is part of the Lockton Group, the directors have taken into account an assessment of the impact of COVID on the going concern for the Lockton Group that has also been completed, which concluded that the Lockton Group has adequate resources to continue in operational existence for at least 12 months from the date of approving these financial statements and therefore be in a position to support the Company if necessary.

The Lockton Group performed strongly during the past 12 months despite the impact of the pandemic on the global economy. The Lockton Group's various global offices have been impacted in different ways depending on local conditions and government actions, however the majority have performed strongly despite facing these differences. With the global vaccination programme beginning to contain COVID, it is anticipated that the potential impact of the pandemic will likely be reduced from here. However, there may be unknown impacts as government support schemes are unwound and the potential for further lockdowns if there are any additional COVID. The directors are monitoring the ongoing situation and are prepared to take necessary action for any further disruptions. In order to address the downside impacts if they were to occur, a number of management actions have been identified. These include the active management of costs by focusing on all discretionary spend not related to client service.

The Lockton Group going concern assessment included a cash flow forecast under a base case and under stress over a 12-month period from the date of the approval of the financial statements.

LOCKTON INSURANCE BROKERS (IRELAND) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 APRIL 2021

1. BASIS OF PREPARATION (continued)

The Lockton Group has access to a revolving credit facility of \$115.3m (£83.1m) from Lockton Inc. On 30 April 2021, \$16.7m (£12m) was drawn, leaving undrawn headroom of \$96.6m (£71.1m). At 30 April 2021, the Lockton Group had non-restricted corporate cash balances of £66.9m. The forecasts indicate that the Lockton Group will continue to operate within its current facilities throughout the going concern assessment period. 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.

The directors therefore consider that it remains appropriate to prepare the financial statements on a going concern basis

2. JUDGMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION UNCERTAINTY
Deferred revenue
Insurance placement

Revenue is recognised to the extent the contractual obligations arising have been met. An assessment is made of the post placement obligations arising from the revenue recognised during the year. To the extent contractual servicing arrangements exist that have not been met an appropriate amount of revenue is deferred. Estimates of time taken and the cost of servicing the revenue recognised are made based on information supplied by the business relating to the costs of claims and servicing activities.

Impairment of financial assets

The Company reviews trade debtors on a regular basis for indicators that they may be irrecoverable and makes provisions for the estimated irrecoverable amounts against aged debts and specific bad debts where appropriate.

3 ACCOUNTING POLICIES
3.1. Fees and commissions

Fees and commissions comprise insurance brokerage and fees. Insurance brokerage is recognised when placement services are complete, at the inception date of the policy or the date the policy is fully placed if later. In the case of cancellable multi-year policies, brokerage income is recognised at each effective renewal date over the life of the policy. An appropriate portion of revenue is deferred to cover post placement obligations to be rendered in respect of business placed by the year end date. The amount deferred is recognised as income over the servicing period on a consistent basis reflecting the pattern of servicing activities. Fees are credited when related services are rendered.

3.2. Administration expenses

Administration expenses represent the cost of goods and services received during the year and are recorded on an accruals basis as the expense is incurred.

3.3. Cashflow statement

The Company meets the size criteria for a small company set by the Companies Act 2014. The Company is a wholly owned subsidiary of Lockton Companies International Limited. Its intermediate parent undertaking is LIH UK Topco Limited, which is preparing a consolidated cash flow statement. Consequently, the Company is exempt under the terms of FRS 102 from preparing a cash flow statement.

LOCKTON INSURANCE BROKERS (IRELAND) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 APRIL 2021

3 ACCOUNTING POLICIES (continued)**3.4. Taxation**

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on timing differences which 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 not recognised on permanent differences arising because certain types of income or expense are non-taxable or are disallowable for tax or because certain tax charges or allowances are greater or smaller than the corresponding income or expense.

Deferred tax is measured at the tax rate that is expected to apply to the reversal of the related difference, using tax rates enacted or substantively enacted at the balance sheet date. Deferred tax balances are not discounted. Deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

3.5. Insurance broking receivables and payables

Insurance brokers act as agents in placing the insurable risks of their clients with insurers and, as such, are not liable as principals for amounts arising from such transactions. In recognition of this relationship, debtors from insurance broking transactions are not included as an asset of the Company.

Other than receivables for fees and commissions earned on a transaction, no recognition of the insurance transaction occurs until the Company receives cash in respect of the premiums or claims, at which time a corresponding liability is established in favour of the insurer or the client.

In certain circumstances, the Company advances premiums, refunds or claims to insurance underwriters or clients prior to the collection.

These advances are reflected in the consolidated balance sheet as part of trade receivables.

3.6. Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. Bank overdrafts, when applicable, are shown within borrowings in current liabilities.

LOCKTON INSURANCE BROKERS (IRELAND) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 APRIL 2021

3 ACCOUNTING POLICIES (continued)
3.7 Tangible fixed assets

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

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

The estimated useful lives range as follows:

- Leasehold premises Improvements - 20 years or the life of the lease whichever is less
- Fixtures & fittings - 4 to 7 years
- Computer hardware - 3 to 5 years
- Computer software - 1 to 3 years

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

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the statement of comprehensive income.

3.8. Creditors

Basic financial liabilities, including trade and other payables are initially recognised at transaction price.

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

4. TURNOVER
Turnover by country of destination:

	Year ended 2021 €	Year ended 2020 €
Europe	2,095,321	3,200,660
United Kingdom	85,498	203,431
Rest of the World	109,522	87,395
Total	2,290,341	3,491,486

LOCKTON INSURANCE BROKERS (IRELAND) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 APRIL 2021

5. ADMINISTRATIVE EXPENSES

	Year ended 2021 €	Year ended 2020 €
Employee Costs	2,559,500	2,574,673
Occupancy Costs	304,111	391,088
Other Administrative Expenses	2,057,786	2,068,720
Total	<u>4,921,397</u>	<u>5,034,481</u>

6. OPERATING LOSS

The operating loss before taxation is stated after charging:

	Year ended 2021 €	Year ended 2020 €
Audit of these financial statements	37,500	37,000
Directors emoluments	399,847	241,528
Termination payments paid to Directors	207,639	-

7. EMPLOYEES

Staff costs were as follows:

	Year ended 2021 €	Year ended 2020 €
Wages and salaries paid/payable	1,895,219	1,933,122
Social insurance costs	225,899	230,584
Retirement benefit costs	160,154	123,994
Other compensation costs	278,228	286,973
	<u>2,559,500</u>	<u>2,574,673</u>

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

	Year ended 2021	Year ended 2020
Insurance Broking	23	23
Administration	9	7
	<u>32</u>	<u>30</u>

LOCKTON INSURANCE BROKERS (IRELAND) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 APRIL 2021

8. INTEREST RECEIVABLE AND SIMILAR INCOME

	Year ended 2021 €	Year ended 2020 €
Interest receivable	121	1,357
Foreign exchange gain	-	11,817
	<u>121</u>	<u>13,174</u>

9. INTEREST PAYABLE AND SIMILAR CHARGES

	Year ended 2021 €	Year ended 2020 €
Foreign exchange loss	22,894	-
Other interest payable	-	1,094
	<u>22,894</u>	<u>1,094</u>

LOCKTON INSURANCE BROKERS (IRELAND) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 APRIL 2021

10. TAXATION

	Year ended 2021 €	Year ended 2020 €
Current tax		
Current tax on profits for the year	-	-
Adjustments in respect of previous periods	(23,978)	15,369
Total current tax	(23,978)	15,369
Deferred Tax		
Deferred tax arising in the period	(109)	(792)
Deferred tax adjustments in respect of prior periods	31	-
Total deferred tax charge / (credit)	(78)	(792)
Total tax charge / (credit) for the period	(24,056)	14,577

Factors affecting tax charge for the year

The tax assessed for the period is higher than (2020 – higher) the amount expected based on the standard rate of corporation tax in the Republic of Ireland of 12.5% (2020 – 12.5%). The differences are explained below:

	Year ended 2021 €	Year ended 2020 €
(Loss)/profit on ordinary activities before tax	(2,636,339)	(1,502,345)
(Loss)/profit on ordinary activities multiplied by standard rate of corporation tax in the Republic of Ireland of 12.5% (2020 – 12.5%).	(329,542)	(187,793)
Effects of:		
Expenses not allowable for tax purposes	9	4,530
Adjustments to tax charge in respect of previous periods	(23,947)	15,369
Deferred tax not booked / (rebooked)	329,425	182,471
Total tax charge / (credit) included in profit and loss	(24,055)	14,577

Factors that may affect future tax charges

Deferred tax is recognised to the extent that the realisation of the related tax benefit through future taxable profits is probable. A potential deferred tax asset at 12.5% of €502,097 relating to tax losses has not been recognised due to uncertainty surrounding its future utilisation.

LOCKTON INSURANCE BROKERS (IRELAND) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 APRIL 2021**

11. TANGIBLE FIXED ASSETS

	Leasehold premises and improvements €	Fixtures & fittings €	Computer equipment €	Total €
Cost				
At 1 May 2020	20,739	3,943	10,818	35,500
Additions	-	-	1,581	1,581
Disposals	-	-	-	-
At 30 April 2021	20,739	3,943	12,399	37,081
Accumulated Depreciation				
At 1 May 2020	(20,739)	(1,708)	(5,468)	(27,915)
Charge for the year	-	(1,139)	(3,560)	(4,699)
Disposals	-	-	-	-
At 30 April 2021	(20,739)	(2,847)	(9,028)	(32,614)
Net book value				
At 30 April 2021	-	1,096	3,371	4,467
At 30 April 2020	-	2,235	5,350	7,585

12. DEBTORS

	Year ended 2021 €	Year ended 2020 €
Trade debtors*	406,572	1,276,215
Amounts owed by group undertakings **	290,923	486,795
Taxation and social security	2,725	27,848
Other debtors	49,312	5,400
	749,532	1,796,258

* Included in trade debtors above is a provision against aged debts of €858,915 (2020: €667,591).

**Balances owing from group undertakings of €290,923 (2020: €486,795) are held interest free and repayable on demand.

LOCKTON INSURANCE BROKERS (IRELAND) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 APRIL 2021

13. CASH AND CASH EQUIVALENTS

	Year ended 2021 €	Year ended 2020 €
Cash at bank and in hand	3,060,061	4,451,480

14. CREDITORS: Amounts falling due within one year

	Year ended 2021 €	Year ended 2020 €
Trade creditors	1,765,449	4,083,936
Amounts owed to group undertakings *	491	1,076,968
Taxation and social security	4,013	6,506
Deferred revenue	238,068	324,140
Accruals and other creditors	335,915	181,325
	2,343,936	5,672,875

* Balances owing to group undertakings of €491 (2019: €1,076,968) are held interest free and repayable on demand.

15. PROVISIONS

	Dilapidations €
At 1 May 2020	44,410
Additions	37
Utilised in year	-
At 30 April 2021	44,447

Dilapidations

This represents potential charges which may become payable under the terms of the current contracts when existing properties are vacated. The costs are accrued over the life of the leased property and reassessed each year.

LOCKTON INSURANCE BROKERS (IRELAND) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 APRIL 2021

16. SHARE CAPITAL

	Year ended 2021 €	Year ended 2020 €
Shares classified as equity		
Authorised share capital		
1,091,375 (2020: 1,091,373) Ordinary shares of €1 each	1,091,375	1,091,373
Total authorised share capital	<u>1,091,375</u>	<u>1,091,373</u>
Issued Ordinary Share Capital		
The movement in the issued share capital of the Company is as follows:		
Opening balance – Ordinary shares of €1 each	1,091,373	1,091,372
Ordinary shares issued during the year	2	1
Total issued ordinary share capital	<u>1,091,375</u>	<u>1,091,373</u>
Share Premium		
Opening Balance	1,699,999	-
Share premium issued as part of capitalisation	3,499,998	1,699,999
Total Share Premium	<u>5,199,997</u>	<u>1,699,999</u>

During the year ended 30 April 2021, the Company's parent LCIL were allotted two shares of €1 each at a premium for total consideration €3,500,000.

17. RESERVES**Profit and loss account**

This includes all current year and prior period retained profits and losses.

Other reserves

As the consideration paid to Lockton Companies LLP for the transfer of the Irish business was to a fellow subsidiary undertaking, merger accounting was applied and this consideration was recognised to as a charge to other reserves.

Capital contribution

During a prior year, services were provided to the Company by a fellow subsidiary undertaking, Lockton Services Limited. However, these services were not charged and will not be charged to the Company, and therefore have been recognised as a capital contribution.

LOCKTON INSURANCE BROKERS (IRELAND) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 APRIL 21

18. COMMITMENTS UNDER OPERATING LEASES

At 30 April 2021 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	Year ended 2021 €	Year ended 2020 €
Not later than 1 year	142,160	67,920
Later than 1 year and not later than 5 years	189,547	-
Later than 5 years	-	-
Total	331,707	67,920

A charge of €191,935 was included in administrative expenses in the profit and loss account and other comprehensive income during the financial year in respect of operating leases (2020: €191,901).

19. RELATED PARTY TRANSACTIONS

The Company has availed of the exemption in FRS 102 from disclosing key management personnel compensation and transactions with wholly owned group companies.

20. CONTROLLING PARTY

The Company's immediate parent company and controlling party is Lockton Companies International Limited, a company that is registered in England and Wales. The Company's ultimate parent company and controlling party is Lockton Inc., a company incorporated in the United States.

The smallest group in which the Company's results are consolidated, and the largest in which they are publicly available is that headed by LIH UK Topco Limited, incorporated in England and Wales. No other UK group financial statements include the result of the Company. These consolidated financial statements may be obtained from The St Botolph Building, 138 Houndsditch, London, EC3A 7AG.

The Company's intermediate US parent undertaking is Lockton Operating Companies, LLC. The consolidated financial statements of Lockton Operating Companies, LLC, consolidates the LIH UK Topco Group with insurance brokerage operations based in the United States. These consolidated financial statements are not publicly available.

The largest group in which the results of the Company are consolidated is that headed by Lockton Inc. The consolidated financial statements of Lockton Inc., consolidates Lockton Operating Companies, LLC and other certain ancillary operations. These consolidated financial statements are not publicly available.

21. DATE OF AUTHORISATION

These financial statements were authorised for issue on 15 December 2021.