

Hawley Group Limited

Financial Statements
Year ended 31 March 2021

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Statement of Comprehensive Income

Year ended 31 March 2021

	Notes	2021 UK£000	2020 UK£000
Administrative expenses	3	(26)	(27)
Operating loss		(26)	(27)
Financial income	4	12	23
Loss before taxation	5	(14)	(4)
Taxation		-	-
Net loss for the year		(14)	(4)
Total comprehensive loss for the year		(14)	(4)
Net loss attributable to the Company's shareholders		(14)	(4)
Total comprehensive loss attributable to the Company's shareholders		(14)	(4)
Loss per ordinary share			
Basic and diluted (pence)	6	-	-

The accompanying notes on pages 6 to 8 form an integral part of these financial statements.

Balance Sheet

At 31 March 2021

	Notes	2021 UK£000	2020 UK£000
Assets			
Current assets			
Cash and cash equivalents	7	3,461	3,481
Other receivables	8	6	-
		3,467	3,481
Liabilities			
Current liabilities			
Other payables	9	(4)	(4)
Net current assets		3,463	3,477
Net assets		3,463	3,477
Shareholders' equity			
Called-up share capital	10	466	466
Share premium		3,144	3,144
Retained loss		(147)	(133)
Total shareholders' equity		3,463	3,477

The accompanying notes on pages 6 to 8 form an integral part of these financial statements.

The financial statements on pages 1 to 9 were approved by the Board of Directors and were signed on its behalf by:

Peter Gaze
Director

Cheryl Jones
Director

30 September 2021

Statement of Changes in Shareholders' Equity

Year ended 31 March 2021

	Called up share capital UK£000	Share premium UK£000	Retained earnings UK£000	Total shareholders' equity UK£000
Balance at 31 March 2019	466	3,144	(129)	3,481
Total comprehensive loss for the year			(4)	(4)
Balance at 31 March 2020	466	3,144	(133)	3,477
Total comprehensive loss for the year	-	-	(14)	(14)
Balance at 31 March 2021	466	3,144	(147)	3,463

The accompanying notes on pages 6 to 8 form an integral part of these financial statements.

Statement of Cash Flows

Year ended 31 March 2021

	Notes	2021 UK£000	2020 UK£000
Cash flows from operating activities			
Cash used in operations	11	(21)	(3)
Net cash used in operating activities		(21)	(3)
Net cash (outflow) inflow		(21)	(3)
Cash and cash equivalents at beginning of year		3,482	3,485
Cash and cash equivalents at end of year	7	3,461	3,482

The accompanying notes on pages 6 to 8 form an integral part of these financial statements.

Notes to the Financial Statements

Period ended 31 March 2021

1 Principal accounting policies

General information

Hawley Group Limited (the "Company") is a strategic investment company incorporated in The British Virgin Islands (1875677) on 27th May, 2015. Its primary objective is to invest in either one or more quoted or unquoted businesses. The Company has identified Business Services, Business Process Outsourcing, Healthcare Support Services and Workplace and Support Services as sectors in which it may in due course seek to invest.

The Company's issued share capital is traded on the Bermuda Stock Exchange (Ticker symbol HGL.BH).

The Company is domiciled in The British Virgin Islands and its registered office is: Craigmuir Chambers, Road Town, Tortola, British Virgin Islands.

Directors' responsibilities

The following, which should be read in conjunction with the Independent Auditor's Report regarding the respective responsibilities of directors and auditors, is made with a view to distinguishing for shareholders the respective responsibilities of directors and auditors in relation to the financial statements. The directors are responsible for preparing the financial statements in accordance with applicable law and regulations. The directors have elected to prepare the financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union. Under regulations the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the directors are required to: (a) select suitable accounting policies and then apply them consistently; (b) make judgements and accounting estimates that are reasonable and prudent; (c) state whether applicable IFRSs as adopted by the European Union have been followed, subject to any material departures disclosed and explained in the financial statements; and (d) prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business. The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. Legislation governing the preparation and dissemination of financial statements may differ between jurisdictions. In the case of each director in office at the date the financial statements are approved, they confirm that: (a) the financial statements have been prepared in accordance with IFRSs as adopted by the European Union and give a true and fair view of the assets, liabilities, financial position and loss of the Company; (b) so far as each director is aware, there is no relevant audit information of which the Company's auditor is unaware; and (c) he has taken

all the steps that he ought to have taken as each director in order to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Basis of preparation

The financial statements have been prepared on a going concern basis, in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union, taking into account interpretations from the International Financial Reporting Interpretations Committee (IFRIC). The financial statements have been prepared under the historical cost convention as modified in connection with certain financial instruments. The principal accounting policies adopted in the preparation of the financial statements, which have been consistently applied to the years presented, are set out below.

The preparation of financial statements in conformity with IFRSs requires the use of accounting estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on management's best knowledge of the amount, event or actions, actual results ultimately may differ from those estimates.

There has been no impact on the Company of the implementation during the year of new accounting standards and interpretations and the directors do not anticipate that the adoption of new standards and interpretations effective for the year ending 31 March 2022 will have a material impact on the Company.

Functional and presentational currency

All amounts in these financial statements are presented in thousands of UK pounds sterling, the Company's presentation currency, unless otherwise stated. The Company's functional currency is UK pounds sterling.

Transactions in currencies other than the Company's functional currency are recognized at the rate of exchange prevailing at the date of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are translated at the rate prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rate prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not translated.

Financial income

Financial income comprises interest income on short-term deposits. Interest income is recognised on a time-proportion accruals basis using the effective interest rate method.

Notes to the Financial Statements

Period ended 31 March 2021

Taxation

The Company's net profit is not subject to tax by virtue of its status under the BVI Business Companies Act, 2004, of the The British Virgin Islands.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and other short-term deposits with original maturities of three months or less. As a result of the short-term maturity of these financial instruments their carrying value is approximately equal to their fair value.

Other receivables

Other receivables comprise accrued income receivable and prepayments. The interest receivable is recognised initially at fair value, and subsequently measured at amortised cost, less provision for impairment. Prepayments are carried at cost less provision for impairment. Prepayments are charged to profit or loss when the services relating to the prepayments are received.

Other payables

Other payables are accrued when the counterparty performs its obligations under the contract and are carried at amortised cost.

Share capital

Ordinary shares are classified as equity. Transaction costs directly attributable to the issue of new shares are reported, net of tax, in shareholders' equity.

Subsequent events

The Company evaluates subsequent events for recognition and disclosure through to the date of the approval of the financial statements which is the date the financial statements are available to be issued.

Approval of the financial statements

The financial statements were approved by the board of directors and authorized for issue on 30 September 2021.

2 Financial risk management

The overall objective of the financial risk management of the Company is to minimise risks that may have an adverse impact on the Company's results, cash flows and financial position. The Company is subject to market (interest rate) and credit risks on its cash and cash equivalents.

The Company's short-term deposit bears a fixed interest rate, and thus exposes the Company to fair value interest rate risk. The Company does not have formal arrangements to analyse and mitigate its interest rate exposure.

The credit risk is mitigated by placing the deposit in highly liquid securities with short-term maturities, albeit with one financial institution (notes 7 and 12).

Measurement of fair values

The fair values of assets and liabilities are principally measured and calculated by reference to expected future cash flows associated with the relevant group of assets and/or liabilities discounted at current interest rates for new instruments with similar credit risks and remaining maturity. The carrying values of other receivables and other payables approximate their fair values due to their short maturities.

3 Administrative expenses

	2021 UK£000	2020 UK£000
Professional services	19	20
Other expenses	7	7
Total administrative expenses	26	27

4 Financial income

	2021 UK£000	2020 UK£000
Interest income on short-term deposit (note 7)	12	23
Total financial income	12	23

5 Directors' and Auditor's remuneration

The directors who served during the period did not receive any remuneration in respect of their services to the Company. The auditors' remuneration was £3,500 (2020 - £3,500).

6 Earnings per ordinary share

Basic earnings per ordinary share are based on total comprehensive loss of £4,000 (2020 - £7,000) and 46,586,243 ordinary shares of 0.01 pence each (2020 - 46,586,243), being the weighted average number of shares in issue during the period. There is no adjustment to be made for diluted earnings per ordinary share.

	Loss UK£000	Weighted average number of shares	Loss per ordinary share - pence
Year ended			
31 March 2020	(4)	46,586,243	-
Year ended			
31 March 2021	(14)	46,586,243	-

Notes to the Financial Statements

Period ended 31 March 2021

7 Cash and cash equivalents

	2021 UK£000	2020 UK£000
Operating bank accounts	281	288
Short-term deposit	3,180	3,194
Total cash and cash equivalents	3,461	3,482

Cash and cash equivalents are denominated in UK pounds sterling and include a short-term deposit at ABN AMRO Bank. The effective interest rate for the period on the deposit was approximately 0.4% per annum. At 31 March 2021, the deposit had an average maturity of 183 days.

8 Other receivables

	2021 UK£000	2020 UK£000
Prepayments	-	-
Interest receivable	5	-
Total other receivables	5	-

The carrying amounts of other receivables are denominated in UK pounds sterling. The fair values of other receivables approximate their book values.

9 Other payables

	2021 UK£000	2020 UK£000
Accrued liabilities	3	4
Total other payables	3	4

The carrying amounts of other payables are denominated in UK pounds sterling. The fair values of other payables approximate their book values.

10 Share capital

The authorised and issued share capital of the Company at 31 March 2021 and 31 March 2020 was as follows:

	2021 UK£000	2020 UK£000
Ordinary shares of 0.01 pence each:		
Authorised (100,000,000)		
Issued and fully paid (46,586,243)	466	466

Share premium of 3,144,000 is the result of the subscription by Impellam Group Plc of 37,190,471 ordinary shares of 0.01 pence each and the placing of 9,395,772 ordinary shares of 0.01 pence each in the share capital of the Company at a price of 7.75 pence per share. The shares acquired by Impellam Group Plc were distributed to its shareholders as a dividend in specie on August 6, 2015.

At 31 March 2021, Lord Ashcroft, KCMG PC, owned and controlled approximately 62.9% of the issued ordinary shares of the Company.

11 Cash used in operations

	2021 UK£000	2020 UK£000
Total comprehensive loss	(14)	(4)
Decrease (increase) in other receivables	(5)	1
Increase in other payables	-	-
Cash used in operations	(21)	(3)

12 Related party transactions

At 31 March 2021, cash and cash equivalents amounting to £281,000 (2020 - £281,000) were held on deposit at British Caribbean Bank Limited ("BCBL"), a related party. BCBL is a wholly owned subsidiary of Waterloo Investment Holdings Limited ("WIHL").

Lord Ashcroft, KCMG PC, is a controlling shareholder in both the Company and WIHL. In addition, Messrs. P.M.R. Gaze and Abner Peralta, directors of the Company, are also a director and secretary, respectively, of WIHL.

During the period, the Company incurred bank service charges of £nil (2020 - £nil) with BCBL.

Independent Auditor's Report to the Shareholders of Hawley Group Limited

Report on the financial statements

Our opinion

In our opinion, Hawley Group Limited's financial statements (the "financial statements"):

- give a true and fair view of the state of the Company's affairs as at 31 March 2021 and of its loss, changes in equity, cash flows and explanatory notes for the year then ended; and
- have been properly prepared in accordance with International Financial Reporting Standards ("IFRSs") as adopted by the European Union.

What we have audited

Hawley Group Limited's financial statements comprise:

- the balance sheet as at 31 March 2021;
- the statement of comprehensive income for the year then ended;
- the statement of changes in shareholders' equity for the year then ended;
- the statement of cash flows for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and IFRSs as adopted by the European Union.

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

Responsibilities for the financial statements and the audit

Our responsibilities and those of the directors

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 and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK & Ireland) ("ISAs (UK and Ireland)"). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinion, has been prepared for and only for the Company's shareholders as a body and for no other purpose. We do not, in giving this opinion, 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.

What an audit of financial statements involves

We conducted our audit in accordance with ISAs (UK & Ireland). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of:

- whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the directors; and
- the overall presentation of the financial statements.

We primarily focus our work in these areas by assessing the directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

BDO Belize LLP

30 September 2021

Corporate information

Directors	Peter Gaze Cheryl Jones Abner Peralta
	each of: Matalon Business Center Second Floor, Suite 201 Coney Drive Belize City Belize
Company Secretary and Registered Office	Abner Peralta Craigmuir Chambers Road Town Tortola British Virgin Islands
Listing Sponsor	Ocorian Securities (Bermuda) Limited Victoria Place, 5th Floor 31 Victoria Street Hamilton HM 10 Bermuda
Bermuda Registrars	Ocorian Management (Bermuda) Limited Victoria Place, 5th Floor 31 Victoria Street Hamilton HM 10 Bermuda
Branch Registrar and Transfer Agent	Link Market Services (Guernsey) Limited Mont Creveit House Bulwer Avenue St. Sampson Guernsey Channel Islands
Auditor	BDO Belize LLP Jasmine Court Suite 201 35A Regent Street Belize City Belize

