RFIB Group Limited

Annual Report and Financial Statements

Year ended 31 December 2015

Registered Number: 1502259

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Chairman's Statement

2015 was a significant year for RFIB. On 21 October 2015 RFIB completed its search for a new investment partner, the San Francisco and Boston based private equity house, Calera Capital ("Calera"). Completion resulted from a process that took over 12 months and we have secured a very positive outcome for RFIB; Calera had been interested in our business for some time and I believe that the vision and values of our new investors and the management team are very much aligned – this bodes well for the future of RFIB.

However 2015 was a disappointing year in terms of our broking income, which like many brokers, was lower than 2014. Commodity values, especially oil, were much lower and the market continued to be soft in part a result of significant non-traditional capital entering the insurance sector thereby suppressing insurance rates. Brokers found it difficult to grow their top line and those that did, did so often by acquiring teams or businesses.

Our drawn-out refinancing transaction also caused uncertainty in the market and internal distraction both of which did not help our results. Our weaker financial performance has, though, helped us focus on what elements of our business are key for the platform for future growth. The restructuring programme that began in the last quarter of 2015, has continued into the early part of 2016, and will ensure that RFIB is set to take advantage of the exciting future ahead for the business.

The completion of our transaction with Calera is just the start of the next stage of our journey and with it comes some difficult decisions. We have already made a number of changes in the senior part of the business reflected in a number of board changes. I would like to thank Jonathan Turnbull, David Barbour, Henry Keeling, Stephen Hirst and, in particular, Lord Hodgson, as Chairman of our parent RFIB Holdings, for their significant contribution over the last 7 or so years. I welcome Dennis Mahoney, James Halow and Paul Chilton to the RFIB Group board, all of whom I know will provide significant assistance in pushing the business forward in this new chapter.

Change is often disquieting so I would particularly like to thank all of our employees for their continuing commitment to the business during this challenging period.

RFIB is built around our belief of a continuing role for the independent specialist broker providing best in class service to our clients for whom we are a trusted advisor. With the backing of our new investor, the quality of our people and our strong reputation for integrity and innovation, we offer a unique proposition for people looking for an alternative professional broker without the constraints that exist in larger houses. This makes us a rare commodity indeed.

Mark WInlow
Chairman
16 May 2016

Directors and Officers

Directors

Paul Chilton
James Halow
Dennis Mahoney
Nick Moss
Jonathan Turnbull
Mark Winlow

Company Secretary

John Davies

Registered Office

20 Gracechurch Street
London
EC3V 0AF

Independent auditors

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
7 More London Riverside
London
SE1 2RT

Bankers

Barclays Bank plc
1 Churchill Place
London
E14 5HP

Regulator

Financial Conduct Authority
Reference number 310508

Strategic Report

Business Overview

The directors present their strategic report on RFIB Group Limited for the year ended 31 December 2015.

Principal activities

The primary business activity of the Company is insurance and reinsurance intermediation together with risk advisory and related services.

The Company mainly operates from its head office in London and has representative offices in Dubai, Moscow, Kiev, Almaty, Baghdad and Durban.

We manage a diversified book of business in significant developing economies and are renowned as a producer of innovative, profitable and specialist business to the London and international markets.

Expertise

We have invested heavily in our staff and infrastructure to ensure that we continue to have the expertise and capabilities to provide an unrivalled specialist focus. Across RFIB's business we have expert, seasoned professionals with a rounded understanding of the intermediary business and what is required in today's world to deliver the optimum solution for our clients' needs.

Professional and independent

We are proud of RFIB's long standing reputation for integrity, honesty and independence which, when matched with our professional approach, ensures that we provide clients with solutions that are both effective and economic.

Client focus

We pride ourselves on RFIB's commitment to building a deep understanding of each of our client's businesses. These long lasting relationships enable us to provide our clients with innovative risk management solutions.

Specialist

For more than 30 years we have focused on specialist areas and have developed an exceptional level of technical knowledge and understanding. At RFIB we are leaders in the following areas:

Alternative Reinsurance Products
Aviation Risk
Binding Authorities & Facilities
Cargo & Specie
Casualty Specific Risks
Claims
Direct & Facultative Property & Construction
Energy, Power & Natural Resources
Financial & Professional Risks
Hull & Machinery
Kidnap & Ransom
Marine Claims
Marine Liability
Mortgage Insurance & Affinity Products
Personal Accident & Illness
Political & Trade Credit Risk
Port Authorities & Port Packages
Protection & Indemnity
Public Entity Package
Shipyards & Building Risk
Treaty
War, Terrorism, Confiscation & Political Risks
Yacht Insurance

Strategic Report

Review of the business

Change in UK GAAP

These financial statements have been compiled under the new UK GAAP – FRS102. The impact is a £0.7m reduction of net assets as at 31 December 2014. There was £nil impact on the profit for 2014.

Revenue

Revenue has decreased by 9% over the previous 12 month period. This is due to a combination of market conditions where rating pressures, lower commodity prices and the reduction in activity in our war book adversely impacted our Marine and Reinsurance revenues while the number of significant construction projects was lower than last year which impacted our Global Risk Solutions Division. This was offset to some extent by the continued development in our North American Binding Authority Division.

Operating expenses

Administrative expenses have increased by 5% or £1.8m over the year ended 2014. However the impact of foreign exchange represents £1.9m of that movement so underlying costs have remained flat compared to last year.

EBITDA

Earnings before interest, tax, depreciation, amortisation, impairment and exceptional items is one of the key measures for the business. The company recorded an EBITDA loss of £1.1m for 2015 compared to a profit of £4.2m in the prior year.

Exceptional items

The costs of the transaction with Calera plus the post transaction restructuring have been treated as exceptional. These are described in note 11 to the financial statements.

Results

The loss for the financial year to 31 December 2015 amounts to £3.75m (2014: profit £2.4m). No dividend is recommended for the current year (2014: £nil).

Balance sheet

Overall, the level of net assets has decreased by £3.1m to £5.1m at 31 December 2015 from £8.3m at 31 December 2014.

Net current assets have decreased to £0.3m at 31 December 2015 from £3.8m at 31 December 2014 due to the overall loss of the year which included the costs of the transaction with Calera and the subsequent restructuring.

Provisions have decreased mainly due to a reduction in the dilapidations provision on the London property during 2015 while the net pension scheme liability has decreased from £3.0m at 31 December 2014 to £2.1m at 31 December 2015. The pension deficit relates to the Company's closed defined benefit pension scheme.

Strategic Report

Review of the business (continued)

Financing and liquidity

The company had net cash of £0.75m at 31 December 2015 compared with a net debt of £0.05m at 31 December 2014:

	31 Dec 2015	31 Dec 2014
	£,000	£,000
Own cash	750	443
Bank borrowings	-	(500)
Finance leases	-	-
	750	(57)

At 31 December 2015, the company no longer had a committed revolving credit bank facility. The outstanding facility was fully repaid in October 2015 upon completion of the transaction with Calera.

FX Management

The Company is exposed primarily to transactional foreign exchange exposures from its GB Sterling cost base and a US Dollar denominated revenue which makes up approximately two thirds of its total revenues. The Company operates a US Dollar hedging programme to smooth out the volatility caused by US Dollar rate fluctuations through the period using forward foreign exchange contracts. In 2015 the Company achieved an average rate of USD1.59 (2014: USD1.59) compared to an average market rate of USD1.53 (2014: USD1.65).

Principal Risks & Uncertainties

As a global business, we understand that we face a wide range of risks, from the internal or external environment in which we do business. Some may threaten our success or viability directly with a financial, operational and/or reputational impact whilst others could be opportunities. By understanding our risks more clearly we are confident that we have the mechanisms in place to enable us to recognise and to manage them to within our risk appetite, in addition to enabling us to identify and take business opportunities.

Our Governance, Risk Management and Internal Control Framework defines the approach that we take to the management and oversight of our business risks through a fully operational 3 lines of defence structure and strong Boards and Board sub Committees.

We have identified 4 key risk areas to our business and ensure that all identified risks are categorised and reviewed appropriately therein:

Risk Type	Nature of Risk	Risk Mitigation
Strategy & Market Environment Risk	The risk of current and prospective impact resulting from our own decisions or implementations thereof, in addition to the risks intrinsic to the economy and market in which we operate.	• Robust strategy and planning process. • Ongoing monitoring and reporting of economic and competitive environment. • Strong Governance and Internal Control practices. • Diversification of product lines. • Value added services provided. • Global diversification.

Strategic Report

Review of the business (continued)

Principal Risks & Uncertainties (continued)

Risk Type	Nature of Risk	Risk Mitigation
Financial Risk	The risk of adverse impact on the business value or earning capacity as well as the risk of inadequate cash flow to meet our financial obligations.	• Proactive management of the business plan and budget. • Regular monitoring of cash flows. • Proactive management of currency exposure. • Strong credit control practices.
Operational Risk	The risk of loss arising from inadequate or failed internal processes, from personnel and/or from external events.	• Strong Internal Control Environment and Governance oversight practices. • Strong HR practices, including training and development, objectives and reward. • RFIB Values • Business Continuity and Recovery Plan. • Information and Data Security controls
Regulatory & Legal Risk	Risk of regulatory sanctions, material financial loss or loss to reputation suffered as a result of not complying with laws, regulations and applicable administrative provisions.	• Regulatory radar - Ongoing monitoring global regulatory and legal environment. • Ongoing integration of change to operational practices. • Regulatory licenses held and maintained where required. • Strong Counterparty onboarding process. • Monitoring and oversight programme and reporting in place by 2nd and 3rd Lines of defence

The Strategic Report on pages 3 to 6 was approved by the Board on 16 May 2016 and signed by its order by

John Davies
Company Secretary
16 May 2016

Directors' Report

The Directors present their report and the audited financial statements of the Company for the year ended 31 December 2015.

Board of Directors

The Directors of the Company who were in office during the year and up to the date of signing the financial statements were:

David Barbour	Resigned 21 October 2015
Paul Chilton	Appointed 16 February 2016
James Halow	Appointed 25 January 2016
Stephen Hirst	Resigned 1 December 2015
Henry Keeling	Resigned 21 October 2015
Dennis Mahoney	Appointed 21 October 2015
Nick Moss	
Jonathan Turnbull	
Mark Winlow	

Company Secretary

John Davies

Future Developments

The Chairman's Report on page 1 covers the future developments of the Company.

Results and Dividend

The loss attributable to shareholders for the year ended 31 December 2015 amounts to £3,750,000 (2014: Profit £2,407,000). No dividend is recommended in the current year (2014: £nil).

Directors Interests and Potential Conflicts

Section 175 of the Companies Act 2006 states that the Directors must declare certain material interests. The Board has formal conflict management procedures that have been in place for the period and, following review, no conflicts of interest have been reported.

Going Concern

Having considered both solvency and liquidity risks and undertaken stress testing and liquidity analysis, the directors consider that the Company will have the necessary resources to meet its liabilities as they fall due and will be able to sustain its business model, strategy and operations for the foreseeable future and for at least 12 months from the date of approval of these financial statements. Consequently the financial statements have been prepared on a going concern basis.

Political and charitable contributions

During the year, the Company made charitable donations totalling £2,953 (2014: £6,799). These were made to charities with which the Company maintains close links. The Company does not make political donations (2014: £nil).

Directors' Report

Directors' third party indemnity provisions

Throughout the financial year the Company maintained an insurance policy for Directors and Officers which indemnifies them against certain liabilities arising in the conduct of their duties.

Supplier Payment Policy and performance

It is the Company's policy to agree appropriate terms and conditions in advance with its suppliers and to make payment in accordance with those terms and conditions, provided that the supplier has complied with them.

Employment policies and diversity

During the financial year the Company employed an average of 260 people (2014: 267 people), most of whom are employed in the United Kingdom.

The board recognises that the continuing success of the Company depends on its employees and is adopting policies designed to retain, attract, develop and train talented individuals and teams.

The Company is an equal opportunities employer and bases decisions on an individual's ability regardless of race, religion, gender, age or disability. The Group's equal opportunities policy is designed to ensure that all applicants are given the same consideration when they apply for jobs and that all employees enjoy the same training, career development and prospects.

Employee Shareholders

Some 51 current employees are shareholders in the Company's ultimate parent, CCP TopCo Limited. Employees were encouraged to subscribe for shares in CCP TopCo Limited and further allotments are planned to take place during 2016.

Disabled employees

The Company gives full consideration to applications for employment from disabled persons where the candidate's particular aptitudes and abilities are consistent with adequately meeting the requirements of the job.

Where existing employees become disabled, it is the Company's policy to provide continuing employment wherever practicable in the same or an alternative position and to provide appropriate training to achieve this aim.

Branches outside the UK

The Company has representative offices outside the UK which are listed in the Strategic Report on page 3.

Directors' Report

Statement of directors' responsibilities

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Standard 102. The Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102).

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 statement of affairs of the company and the profit and loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable account policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards, including FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements; 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 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 enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of Information to auditors

The report must contain a statement to the effect that, in the case of each of the persons who are directors at the time when the report is approved, the following applies:

- As far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- The director has taken all the steps that he/she ought to have taken as a director in order to make him/herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Independent auditors

The Company has dispensed with the need to hold an annual general meeting and hence the need to reappoint auditors annually. The auditors, PricewaterhouseCoopers LLP, have signified their willingness to remain in office, and their reappointment is confirmed in accordance with s487 Companies Act, 2006.

By order of the board

John Davies
Company Secretary
16 May 2016

Independent auditors' report to the members of RFIB Group Limited

Report on the financial statements

Our opinion
In our opinion, RFIB 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 December 2015 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

What we have audited
The financial statements, included within the Annual Report and Financial Statements (the "Annual Report") comprise:

- the Balance sheet as at 31 December 2015;
- the Profit and loss account for the year then ended;
- the Statement of comprehensive income for the year then ended;
- the Statement of changes in equity 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 their preparation of the financial statements is United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law (United Kingdom Generally Accepted Accounting Practice).

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.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion, the information given in the Strategic Report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements

Other matters on which we are required to report by exception

Adequacy of accounting records and information and explanations received
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, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Directors' remuneration
Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

Independent auditors' report to the members of RFIB Group Limited

Responsibilities for the financial statements and the audit

Our responsibilities and those of the directors
As explained more fully in the Statement of Directors' responsibilities set out on page 9, 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 and Ireland) ("ISAs (UK & Ireland)"). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

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.

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.

In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Matthew Nichols (Senior Statutory Auditor)
For and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
16 May 2016

Profit and loss account

for the year ended 31 December 2015

	Note	*Year ended 31 Dec 2015 £'000*	*Year ended 31 Dec 2014 £'000*
Turnover	5	35,688	39,023
Administrative expenses		(37,396)	(35,595)
(Loss) / profit on ordinary activities before interest	6	(1,708)	3,428
Other finance income	20	(108)	375
Interest receivable and similar income	9	133	134
Interest payable and similar charges	9	(95)	(182)
Net interest income / (expense)	9	38	(48)
(Loss) / profit on ordinary activities before exceptional items		(1,778)	3,755
Reorganisation	11	(2,729)	-
Loss on disposal of fixed asset investments	15	-	(513)
(Loss) / profit on ordinary activities before taxation		(4,507)	3,242
Tax on (loss) / profit on ordinary activities	10	757	(835)
(Loss) / profit for the financial year		(3,750)	2,407

There are no material differences between the (loss)/profit on ordinary activities before taxation and the (loss)/profit for the financial years stated above and their historical costs equivalents.

Statement of comprehensive income

for the year ended 31 December 2015

	Note	*Year ended 31 Dec 2015 £'000*	*Year ended 31 Dec 2014 £'000*
(Loss) / profit for the financial year		(3,750)	2,407
Other comprehensive income / (expense):			
Remeasurements of net defined benefit obligation	20	994	(2,660)
Recognition of currency forward hedge reserve		(589)	(2,111)
Total tax on components of other comprehensive income	10	(76)	819
Other comprehensive income / (expense) for the year, net of tax		329	(3,952)
Total comprehensive expense for the year		(3,421)	(1,545)

Balance sheet

as at 31 December 2015

	Note	31 Dec 2015 £'000	31 Dec 2014 £'000
Fixed assets			
Intangible assets	12	-	-
Tangible assets	13	2,215	2,544
Investments	14	4,784	5,297
		6,999	7,841
Current assets			
Debtors	16	14,601	15,135
Cash at bank and in hand		750	443
		15,351	15,578
Creditors: amounts falling due within one year	17	(15,060)	(11,783)
Net current assets		291	3,795
Total assets less current liabilities		7,290	11,636
Provisions for liabilities	21	(114)	(348)
Post-employment benefits	20	(2,056)	(3,028)
Net assets		5,120	8,260
Capital and reserves			
Called up share capital	23	1,325	1,325
Share premium account		1,250	1,250
Other reserves		-	417
Capital redemption reserve		1,491	1,491
FX Hedge Reserve		(1,128)	(657)
Profit and loss account		2,182	4,434
Total shareholders' funds		5,120	8,260

The financial statements and the notes on pages 13 to 38 have been approved by the Board of Directors on 16 May 2016 and signed on its behalf by:

Nick Moss
Chief Financial Officer
16 May 2016

Registered number: 1502259

Statement of changes in equity

for the year ended 31 December 2015

	Notes	Called up share capital £'000	Share premium account £'000	Capital redemption reserve £'000	Other reserves £'000	FX Hedge reserve £'000	Profit and loss account £'000	Total £'000
Balance as at 1 January 2014	27	1,325	1,250	1,491	87	1,032	4,290	9,475
Profit for the financial year		-	-	-	-	-	2,407	2,407
Other comprehensive expense for the year		-	-	-	-	(1,689)	(2,263)	(3,952)
Total comprehensive income for the year		-	-	-	-	(1,689)	144	(1,545)
Proceeds from shares issued		-	-	-	330	-	-	330
Dividends		-	-	-	-	-	-	-
Transfer to retained earnings		-	-	-	-	-	-	-
Balance as at 31 December 2014		1,325	1,250	1,491	417	(657)	4,434	8,260
Balance as at 1 January 2015		1,325	1,250	1,491	417	(657)	4,434	8,260
Loss for the financial year		-	-	-	-	-	(3,750)	(3,750)
Other comprehensive (expense) / income for the year		-	-	-	-	(471)	800	329
Total comprehensive (expense) / income for the year		-	-	-	-	(471)	(2,950)	(3,421)
Proceeds from shares issued		-	-	-	281	-	-	281
Dividends		-	-	-	-	-	-	-
Transfer to retained earnings		-	-	-	(698)	-	698	-
Balance as at 31 December 2015		1,325	1,250	1,491	-	(1,128)	2,182	5,120

Notes to the financial statements

for the year ended 31 December 2015

1. General Information

RFIB Group Limited "the company" is an insurance and reinsurance intermediation company that also provides risk advisory and related services.

The company is a private company limited by shares and is incorporated and domiciled in England. The address of its registered office is 20 Gracechurch Street, London EC3V 0AF

2. Statement of compliance

The individual financial statements of RFIB Group Limited have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102. "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS102") and the Companies act 2006.

3. 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, unless otherwise stated. The company has adopted FRS102 in these financial statements. Details of the transition to FRS102 are disclosed in note 27.

(a) Basis of preparation

These financial statements are prepared on a going concern basis, under the historical cost convention, as modified by the revaluation of certain financial assets and liabilities measured at fair value through profit or loss.

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 4.

(b) Going concern

The company meets its day-to-day working capital requirements through a loan from its parent company. The company's forecasts and projections, taking account of reasonably possible changes in trading performance, show that the company should be able to operate within the level of its current facilities. After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. The company therefore continues to adopt the going concern basis in preparing the financial statements.

(c) Exemptions for qualifying entities under FRS 102

The company has taken advantage of section 7 under FRS 102 and has not prepared a statement of cash flows.

(d) Consolidated financial statements

The company is a wholly owned subsidiary of RFIB Holdings Limited and of its ultimate parent of CCP TopCo Limited. It is included in the consolidated financial statements of CCP Topco limited which are publically available. Therefore the company is exempt by virtue of section 400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements.

These financial statements are the company's separate financial statements.

Notes to the financial statements

for the year ended 31 December 2015

3. Summary of significant accounting policies (continued)

(e) Foreign currency

(i) Functional and presentation currency

The company's functional and presentation currency is the pound sterling.

(ii) Transactions and balances

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

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

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit and loss account except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowing and cash and cash equivalents are presented in the profit and loss account within "finance (expense) / income". All other foreign exchange gains and losses are presented in the profit and loss account within 'Other operating (losses) / gains'.

(f) Revenue recognition

Turnover derives principally from brokerage, fees and other commissions associated with placing insurance and reinsurance contracts.

Brokerage is recognised at the later of the policy inception date or when the policy placement has been completed and confirmed. Where a fixed or minimum premium is paid by the client in instalments, all of the income receivable is recognised when the client is debited for the first instalment. Where there is an expectation of future servicing requirements an element of income relating to the policy is deferred to cover the associated contractual or constructive obligation.

In certain circumstances, where revenue cannot be reliably measured at the contract or policy inception date, income is recognised on a periodic basis when consideration falls due. Income related to return and additional premiums or adjustments is recognised as it occurs. Income on multi year policies that are non-cancellable is recognised at the date of inception of the risk. Income on multi year policies which can be cancelled or varied after the inception of the risk is recognised on a time apportioned basis over the period of the contract.

(g) Exceptional items

The company classifies certain one-off charges or credits that have a material impact on the company's financial results as 'exceptional items'. These are disclosed separately to provide further understanding of the financial performance of the company.

(h) Employee benefits

(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.

Notes to the financial statements

for the year ended 31 December 2015

3. Summary of significant accounting policies (continued)

(h) Employee benefits (continued)

(ii) Defined contribution pension plans

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 due. Amounts not paid are shown in other creditors in the balance sheet. The assets of the plan are held separately from the company in independently administered funds.

(iii) Defined benefit pension plan

The Company previously operated a defined benefit plan for certain employees. A defined benefit plan defines the pension benefit that the employee will receive on retirement, usually dependent upon several factors including age, length of service and remuneration. A defined benefit plan is a pension plan that is not a defined contribution plan.

The liability recognised in the balance sheet in respect of the defined benefit plan is the present value of the defined benefit obligation at the end of the reporting date less the fair value of the plan assets at the reporting date.

The defined benefit obligation is calculated using the projected unit credit method. Annually the company engages independent actuaries to calculate the obligation. The present value is determined by discounting the estimated future payments using market yields on high quality corporate bonds that are denominated in sterling and that have terms approximating the estimated period of the future payments ('discount rate').

The fair value of the plan assets is measured in accordance with the FRS 102 fair value hierarchy and in accordance with the company's policy for similarly held assets. This includes the use of appropriate valuation techniques.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to other comprehensive income. These amounts together with the return on plan assets, less amount included in net interest, are disclosed as 'Remeasurement of net defined benefit liability'.

The cost of the defined benefit plan, recognised in profit or loss as employee costs, except where included in the cost of an asset, comprises:

(a) The increase in pension benefit liability arising from employee service during the period; and
(b) The cost of plan introductions, benefit changes, curtailments and settlements.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is recognised in profit or loss as 'Finance expense'.

(iv) Annual bonus plan

The company operates an annual bonus plan 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 plan as a result of past events and a reliable estimate of the obligation can be made.

Notes to the financial statements

for the year ended 31 December 2015

3. Summary of significant accounting policies (continued)

(h) Employee benefits (continued)

(v) Share-based payments

Where the company participates in a share-based payment arrangement established by a group company the company takes advantage of the alternative treatment allowed under Section 26 of FRS 102. The company recognises the share-based payment expense based on an allocation of its share of the group's total expense, calculated in proportion to the number of participating employees. The corresponding credit is recognised in retained earnings as a component of equity.

Where the company is charged for the cost of share-based payments arrangements the amounts are treated as a reduction in the capital contribution. If the amount charged is in excess of the share-based payment charge the company treats the excess as a notional distribution and charges this to retained earnings.

(i) Taxation

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

Current or deferred taxation assets and liabilities are not discounted.

(i) Current tax

Current tax is the amount payable in respect of the taxable profit for the period 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 authorities.

(ii) 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 financial statements.

Deferred tax is recognised on all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are only recognise 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.

Notes to the financial statements

for the year ended 31 December 2015

3. Summary of significant accounting policies (continued)

(j) Intangible assets

Goodwill includes expenses incurred by the Company in the acquisition of new revenue teams and removal of their restrictive covenants. The Company receives the benefit of these expenses through immediate access to client books and associated revenues. The expenses are capitalised and amortised to the profit and loss account over a period of time which represents the anticipated payback period of the investment but in any case not exceeding 5 years.

(k) Tangible assets

Tangible fixed assets are stated at historic purchase cost less accumulated depreciation. Cost includes the original purchase price of the asset plus the costs attributable to bringing the asset to its working condition for its intended use.

Depreciation is provided on owned tangible fixed assets at rates calculated to write off the cost of each asset evenly over its expected useful life, as follows:

Leasehold improvements	-	over 10 years
Computer equipment	-	over 3 years
Fixtures and fittings	-	over 5 years

The Company also holds assets under finance leases which are capitalised as fixed assets on the balance sheet. These assets include computer equipment, fixtures and fittings and photocopier equipment. Depreciation is provided on these assets over the period of the lease which ranges from 3 to 5 years.

(l) Investments

Investment in a subsidiary company is held at cost less accumulated impairment losses.

(m) 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 are shown within borrowings in current liabilities.

Notes to the financial statements

for the year ended 31 December 2015

3. Summary of significant accounting policies (continued)

(n) Provisions and contingencies

(i) Provisions

Provisions are recognised when the Company has a present obligation as a result of a past event, it is probable that a transfer of economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

(ii) Contingencies

Contingent liabilities are not recognised. Contingent liabilities arise as a result of past events when (i) it is not probable that there will be an outflow of resources or that the amount cannot be reliably measured at the report date or (ii) when the existence will be confirmed by the occurrence or non-occurrence of uncertain future events not wholly within the company's control. Contingent liabilities are disclosed in the financial statements unless the probability of an outflow of resources is remote.

Contingent assets are not recognised. Contingent assets are disclosed in the financial statement when an inflow of economic benefits is probable.

(o) Financial instruments

The Company has chosen to adopt the recognition and measurement provisions of IAS 39 (as adopted for use in the EU) and the disclosure requirements of FRS 102.

Financial assets are managed on a fair value basis in accordance with the Company's investment strategy. The Company has therefore elected to measure all financial assets at fair value through the profit and loss account.

Listed investments are stated at fair value on current bid prices quoted by the relevant exchanges. Unlisted investments are carried at the directors' estimate of the current fair value, except as stated below.

Derivatives are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently stated at fair value obtained from quoted market prices in active markets. Financial assets are derecognised when the right to receive future cash flows from the assets has expired, or has been transferred, and the Company has transferred substantially all the risks and rewards of ownership.

(p) Share capital

Ordinary shares are classified as equity.

(q) Distributions to equity holders

Dividends and other distributions to company's shareholders are recognised as a liability in the financial statements in the period in which the dividends and other distributions are approved by the company's shareholders. These amounts are recognised in the statement of changes in equity.

Notes to the financial statements

for the year ended 31 December 2015

4. Critical accounting judgements and estimation uncertainty

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.

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

(i) Share-based payments

The company's employees have been granted share options by the ultimate parent company, CCP TopCo Limited. The company makes use of the exemption in Section 26 of FRS 102 to account for the expense based on a reasonable allocation of the parent company's total expense. The company has calculated its allocation of the parent company's total expense based on the number of participating employees in the company compared to the number of participating employees in the group.

(b) Critical 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) Useful economic lives of tangible assets

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 13 for the carrying amount of the property and equipment, and note 3(k) for the useful economic lives for each class of assets.

(ii) Impairment of debtors

The company makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, management considers factors including the current credit rating of the debtor, the ageing profile of the debtors and historical experience. See note 16 for the net carrying amount of the debtors and associated impairment provision.

(iii) Defined benefit pension scheme

The company has an obligation to pay pension benefits to certain past and present employees. The cost of these benefits and the present value of the obligation depend on a number of factors, including; life expectancy, salary increases, asset valuations and the discount rate applied to the liabilities. Management estimates these factors in determining the net pension obligation in the balance sheet. The assumptions reflect historical experience and current trends. See note 20 for the disclosures relating to the defined benefit pension scheme.

(iv) Revenue Deferral

The company makes an estimate of income not yet earned on the contracts which it has booked during the year, based on an assessment of the value of work still to be performed on those contracts. See note 21 for the disclosures relating to the defined benefit pension scheme.

Notes to the financial statements

for the year ended 31 December 2015

5. Turnover

The Company operating revenue derives from insurance and reinsurance activities, it is analysed as follows:

Analysis of turnover by geography:

	31 Dec 2015	*31 Dec 2014*
	£'000	*£'000*
Western Europe	12,102	14,818
North America	9,492	9,380
Middle East	5,409	5,933
Eastern Europe	2,887	4,230
Africa	2,303	1,965
Other	3,495	2,697
	35,688	39,023

6. Operating (loss) / profit

Operating (loss) / profit is stated after charging / (crediting):

	Note	*31 Dec 2015*	*31 Dec 2014*
		£'000	*£'000*
Wages and salaries		19,705	20,013
Social security costs		2,477	2,379
Other pension costs	20	1,395	1,316
Share-based payments	8	280	331
Staff costs		**23,857**	**24,039**
Loss on disposal of tangible assets		-	13
Depreciation		635	766
Operating lease charges		1,356	862
Foreign exchange losses / (gains)		572	(1,365)
Services provided by the company's auditor:			
Audit of financial statements		145	170
Prior year additional audit fees		3	(0)
Other services		65	225

Notes to the financial statements

for the year ended 31 December 2015

7. Employees and directors

Employees

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

	31 Dec 2015	*31 Dec 2014*
	person	*person*
Broking and related activities	203	202
Management and administration	57	65
	260	267

Directors

The directors' emoluments were as follows:

	31 Dec 2015	*31 Dec 2014*
	£'000	*£'000*
Aggregate emoluments	1,432	895
Aggregate amounts (excluding shares) receivable under long-term incentive schemes	-	-
Sums paid to third parties for directors' services	75	20
	1,507	915

Post-employment benefits are accruing for three directors (2014: three) under a defined contribution scheme. No directors (2014: none) were members of the defined benefit schemes.

Compensation paid to directors for loss of office during the year was £76,000 (2014: £nil)

No directors (2014: none) exercised share options during the year.

No directors (2014: none) are accruing benefits under a long-term incentive scheme.

Highest paid director

The highest paid director's emoluments were as follows:

	31 Dec 2015	*31 Dec 2014*
	£'000	*£'000*
Total amount of emoluments and amounts (excluding shares) receivable under long-term incentive schemes	673	317
Defined benefit pension scheme:		
- Accrued pension at the end of the year	-	-
- Accrued lump sum at the end of the year	-	-

The highest paid director did not exercise share options in 2015 (2014: not exercised options).

Notes to the financial statements

for the year ended 31 December 2015

8. Share based payments

The company had a Joint Share Ownership Plan (JSOP) for certain employees of the Group. The JSOPs could be exercised on vesting at a price agreed on the date of the grant. The vesting period of the plan was three years and JSOPs would expire after a period of ten years from the date of the grant if they remained unexercised.

During the year, following completion of the transaction with Calera, all options under the previous plan were exercised.

	2015		2014	
	Number	Weighted average exercise price	Number	Weighted average exercise price
Outstanding at 1 January	523,801	1.67	424,788	2.23
Granted	-	-	118,706	0.16
Forfeited	-	-	(19,693)	4.78
Exercised	(523,801)	1.67		
Outstanding at 31 December	-	-	523,801	1.67
Exercisable at 31 December	-	-	-	-

The total charge for the year was £279,770 (2014: £330,618).

Notes to the financial statements

for the year ended 31 December 2015

9. Net interest income / (expense)

(a) Interest receivable and similar income

	31 Dec 2015	*31 Dec 2014*
	£'000	*£'000*
Bank interest received	68	64
Dividends received from subsidiaries	65	70
Total interest income on financial assets not measured at fair value through profit or loss	133	134
Total interest receivable and similar income	**133**	**134**

(b) Interest payable and similar charges

	31 Dec 2015	*31 Dec 2014*
	£'000	*£'000*
Interest payable on overdrafts and bank loans	(95)	(179)
Finance lease interest	-	(3)
Total interest payable and similar charges	**(95)**	**(182)**

(c) Net interest income / (expense)

	31 Dec 2015	*31 Dec 2014*
	£'000	*£'000*
Interest receivable and similar income	133	134
Interest payable and similar charges	(95)	(182)
Net interest income / (expense)	**38**	**(48)**

Notes to the financial statements

for the year ended 31 December 2015

10. Income tax

(a) Tax expense included in profit or loss

	31 Dec 2015	*31 Dec 2014*
	£'000	*£'000*
Current tax:		
- UK Corporation tax on (loss) / profit for the year	(801)	991
- Adjustment in respect of prior years	29	-
Total current tax	(772)	991
Deferred tax:		
- Origination and reversal of timing differences	16	(156)
- Impact of change in tax rate	-	-
Total deferred tax	16	(156)
Tax on (loss) / profit on ordinary activities	(757)	835

(b) Tax expense / (income) included in other comprehensive income

	31 Dec 2015	*31 Dec 2014*
	£'000	*£'000*
Current tax	-	-
Deferred Tax		
- Origination and reversal of timing differences	76	(819)
- Impact of change in tax rate	-	-
Total tax income included in other comprehensive income	76	(819)

(c) Tax expense / (income) included in equity

	31 Dec 2015	*31 Dec 2014*
	£'000	*£'000*
Current tax	-	-
Deferred tax	-	-
Total tax expense / (income) included in equity	-	-

Notes to the financial statements

for the year ended 31 December 2015

10. Income tax (continued)

(d) Reconciliation of tax charge

The tax assessed on the profit on ordinary activities for the year is higher (2014: higher) than the standard rate of corporation tax in the UK of 20.25% (2014: 21.5%). The differences are explained below:

	31 Dec 2015 *£'000*	*31 Dec 2014* *£'000*
(Loss) / profit on ordinary activities before tax	(4,507)	3,242
(Loss) / profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20.25% (2014: 21.5%)	(913)	697
Income not subject to tax	(13)	(15)
Previously unrecognised deferred tax	(69)	(156)
Expenses not deductible for tax purposes	179	334
Other timing differences	25	11
Pension adjustments	5	(146)
Investment impairment	-	110
Adjustment in respect of prior years	29	-
Tax charge for the year	(757)	835

(e) Tax rate changes

The tax rate for the current year is lower than the prior year due to changes in the UK Corporation tax rate which decreased from 23% to 21% from 1 April 2014 and from 21% to 20% on 1 April 2015. The deferred tax assets and liabilities reflect these rates.

11. Reorganisation costs

During the year the shareholders of the parent company, RFIB Holdings Limited, agreed to sell all of its shares to CCP BidCo Ltd a company set up by Calera Capital, a US private equity firm based in San Francisco and Boston. This transaction was completed on 21 October 2015. The total costs incurred by the company relating to this transaction were £1,732,000 and were treated as exceptional.

Following completion of the transaction, the company also embarked on a restructuring programme to get the business ready for the next phase of its growth. The total cost of this programme includes the additional payroll and legal costs which were incurred during the year or that are committed at the end of the year. The total exceptional cost in respect of this programme included in the financial statements is £997,000.

Notes to the financial statements

for the year ended 31 December 2015

12. Intangible assets

	Goodwill £'000
At 31 December 2014:	
Cost	3,183
Accumulated amortisation and impairment	(3,183)
Net book amount	-
Year ended 31 December 2015	
Opening net book amount	-
Closing net book amount	-
At 31 December 2015	-
Cost	3,183
Accumulated amortisation and impairment	(3,183)
Net book amount	-

13. Tangible assets

	Leasehold improvement £'000	*Computer equipment £'000*	*Fixture, fittings, equipment £'000*	*Total £'000*
At 31 December 2014				
Cost	4,606	1,083	241	5,930
Accumulated depreciation and impairment	(2,264)	(886)	(236)	(3,386)
Net book amount	2,342	197	5	2,544
Year ended 31 December 2015				
Opening net book amount	2,342	197	5	2,544
Additions	8	298	-	306
Disposals	-	-	-	-
Depreciation	(495)	(137)	(3)	(635)
Closing net book amount	1,855	358	2	2,215
At 31 December 2015				
Cost	4,614	1,381	241	6,236
Accumulated depreciation and impairment	(2,759)	(1,023)	(239)	(4,021)
Net book amount	1,855	358	2	2,215

The net carrying amount of assets held under finance leases included in the computer equipment is £nil (2014: £nil).

Notes to the financial statements

for the year ended 31 December 2015

14. Fixed asset investments

	31 Dec 2015	*31 Dec 2014*
	£'000	*£'000*
At 1 January 2015	5,297	4,784
Additions	-	513
Disposals	(513)	
At 31 December 2015	4,784	5,297

Fixed asset investments comprise equity shares in the following:

Principal subsidiary undertakings:	Country of incorporation	Proportion of ordinary shares held	Nature of business
MST RFIB Limited	England	42.5%	Reinsurance Broking
RFIB Saudi Arabia LLC	Saudi Arabia	60%	Insurance and reinsurance broking
Gracechurch Intermerdiaries LLC	USA	99%	Insurance and reinsurance broking

The directors believe that the carrying value of the investments is supported by their underlying net assets.

15. Loss on disposal of fixed asset investments

During the prior year the company acquired the minority interest of RFIB Saudi Arabia Co Limited with a view to making a subsequent sale to new investors in 2015. The cost of this acquisition was not expected to be recovered in full and the company wrote down the cost of the investment to the value it expected to recover when the transaction completed. The sale of the minority interest was completed as anticipated in December 2015 with no gain or loss.

Notes to the financial statements

for the year ended 31 December 2015

16. Debtors

	31 Dec 2015	*31 Dec 2014*
	£'000	*£'000*
Uncollected brokerage	10,172	9,155
Amounts owed by Group undertakings	293	2,567
Other debtors	907	743
Prepayments and accrued income	2,428	2,670
Corporation tax	801	-
	14,601	15,135

17. Creditors: amounts falling due within one year

		31 Dec 2015	*31 Dec 2014*
	Note	*£'000*	*£'000*
Fixed term loans	18	-	500
Amounts owed to Group undertakings		3,267	3,295
Amount owed to parent company		3,605	-
Other creditors		3,073	1,853
Corporation tax		-	255
Accruals and deferred income		5,115	5,880
		15,060	11,783

18. Loans and other borrowings

	31 Dec 2015	*31 Dec 2014*
	£'000	*£'000*
Fixed term loans	-	500
	-	500

Maturity of financial liabilities:	*31 Dec 2015*	*31 Dec 2014*
	£'000	*£'000*
In one year or less	-	500
	-	500

RFIB Group Limited previously had a revolving credit facility with its corporate bankers, Barclays Bank PLC. The balance was repaid in October 2015 upon completion of the transaction with Calera Capital and the facility was removed.

Notes to the financial statements

for the year ended 31 December 2015

19. Operating lease commitments

Annual commitments under non-cancellable operating leases for the Company are as follows:

	Land & Buildings	
	31 Dec 2015	*31 Dec 2014*
	£000	*£000*
Leases expiring:		
Within two to five years	1,668	1,668

In May 2009 the Company agreed to a lease for new premises. The commitment noted above is the ongoing annual commitment for the new premises.

20. Post-employment benefits

The company operates a number of pension schemes for its employees. The amount recognised in the Balance sheet is as follows:

	Note	*31 Dec 2015*	*31 Dec 2014*
		£000	*£000*
Defined benefit scheme liability	20 (a)	1,646	2,422
Defined contribution scheme liability	20 (b)	-	-
		1,646	2,422

The amount recognised in the profit and loss account is as follows:

	Note	*31 Dec 2015*	*31 Dec 2014*
		£000	*£000*
Defined benefit scheme	20 (a)		
- Current service cost		-	-
- Past service cost		-	-
Defined contribution scheme	20 (b)	1,395	1,316
Total charge in operating profit		1,395	1,316
Defined benefit scheme			
- Net interest expense		108	(375)
Total charge		1,503	941

The total charge for defined contribution plans was £1,395,221 (2014: £1,316,121).

Notes to the financial statements

for the year ended 31 December 2015

20. Post-employment benefits (continued)

(a) Defined benefit scheme

The Company operates a pension scheme ("the Scheme") which, since 1 August 2002, provides defined benefit and defined contribution benefits. Until 25 January 2001 the subsidiary participated in the Robert Fleming Group Pension Scheme ("RFGPS"), which provided defined benefit and defined contribution benefits. Some members of the Scheme retain a deferred pension entitlement within the RFGPS, based on their service prior to, and salary in the year to, 25 January 2001, but have been granted continuous service within the Scheme. The Company has no additional liability to RFGPS. The Company subsequently ceased contributions to the Scheme with effect from 1 December 2009.

The assets of the Scheme are held separately from those of the Company in a trust fund. Contributions to the fund are determined on the basis of triennial valuations by an independent qualified actuary employed by KPMG LLP.

A comprehensive actuarial valuation of the company pension scheme, using the projected unit credit method, was carried out at 31 December 2015 by the actuary by rolling forward the result of the actuarial valuation as at 1 January 2013 by allowing, on an approximate basis, for the following factors:

- The impact of the reporting date being approximately 3 years later than the actuarial valuation date;
- Benefits paid from the Scheme;
- The different assumptions required for these account liability values;

Adjustments to the valuation at that date have been made based on the following assumptions:

	2015	2014
Key assumptions		
Rate of increase in salaries	2.15%	2.00%
Discount rate	3.90%	3.60%
RPI Inflation assumption	3.15%	3.00%
CPI Inflation assumption	2.05%	1.90%
Limited Price Indexation Pension increases (maximum 5.0% p.a.)	3.00%	2.90%
Limited Price Indexation Pension increases (maximum 3.5% p.a.)	2.60%	2.60%

The underlying mortality assumptions used, based upon the SAPS S1 tables, were as follows:

	2015 years	2014 years
Longevity at age 65 for current pensioners	21.3	21.3
Longevity at age 65 for future pensioners	23.8	24.1

Notes to the financial statements

for the year ended 31 December 2015

20. Post-employment benefits (continued)

(a) Defined benefit scheme (continued)

Reconciliation of scheme assets and liabilities:

	Assets *£000*	*Liabilities* *£000*	*Total* *£000*
At 1 January 2015	20,952	(23,979)	(3,027)
Benefits paid	(360)	360	-
Employer contributions	84	-	84
Current service cost	-	-	-
Past service cost	-	-	-
Experience gains on liabilities		188	188
Interest income / (expense)	749	(857)	(108)
Remeasurement gains / (losses)			
- Actuarial gains	-	1,185	1,185
- Return on plan assets excluding interest income	(379)	-	(379)
At 31 December 2015	21,046	(23,103)	(2,057)
Related deferred tax asset	(4,209)	4,620	411
Present value of Scheme liabilities at end of year	16,838	(18,483)	(1,646)

Total cost recognised as an expense:

	31 Dec 2015 *£000*	*31 Dec 2014* *£000*
Current service cost	-	-
Past service cost	-	-
Interest (cost) / credit	(108)	375
Total (charge) / credit	(108)	375

No amounts (2014: nil) were included in the cost of assets.

The agreed contributions to be paid by the Company for the forthcoming year (year ending 31 December 2016) is £200,000, subject to review at future actuarial valuations.

The fair value of the plan assets was:

	31 Dec 2015 *£000*	*31 Dec 2014* *£000*
Equities and Absolute Return Funds, including derivatives	15,798	12,362
Bonds	5,124	6,286
Cash and cash equivalents	124	2,304
	21,046	20,952

Notes to the financial statements

for the year ended 31 December 2015

20. Post-employment benefits (continued)

(a) Defined benefit scheme (continued)

Sensitivity of the defined benefit obligation to changes in the principal actuarial assumptions:

	31 Dec 2015
	£000
0.25% increase in discount rate	(1,040)
0.25% decrease in discount rate	1,117
0.25% increase in price inflation (and associated assumptions)	823
0.25% decrease in price inflation (and associated assumptions)	(844)
1 year increase in life expectancy at age 65	646
1 year decrease in life expectancy at age 65	(643)

(b) Defined contribution scheme

Following the closure of the defined benefit scheme to new entrants, the company provides a defined contribution scheme for its employees.

The amount recognised as an expense for the defined contribution scheme was:

	31 Dec 2015	*31 Dec 2014*
	£000	*£000*
Current period contributions	1,395	1,316

21. Provisions for liabilities

	Errors omissions provision	*Dilapidations provision*	*Onerous lease provision*	*Deferred tax provision*	*Total*
	£'000	*£'000*	*£'000*	*£'000*	*£'000*
At 1 January 2015	150	858	192	(852)	348
Additions dealt with in profit or loss	-	(360)	35	15	(310)
Additions dealt with in other comprehensive income	-	-	-	76	76
At 31 December 2015	150	498	227	(761)	114

Errors and omissions

The Company is currently involved or potentially involved in claims arising from its business activities. On the facts known to the Directors there is no reason to suppose that any losses in excess of the deductibles under the Company's errors and omissions insurances will not be covered. Provision is only made to the extent that losses are expected to arise.

Dilapidation

The dilapidation provision relates to contractual obligations of the Company on surrender of the property lease to reinstate the premises to the same state and condition as before occupancy. During the year an independent assessment was carried out which reduced the expected contractual obligation and the provision was amended accordingly. This amount is unlikely to be settled prior to the end of the lease in September 2019.

Notes to the financial statements

for the year ended 31 December 2015

21. Provisions for liabilities (continued)

Onerous lease
The onerous lease arises on the sub-let of the 3rd floor of Gracechurch Street and provides for the short fall in lease receipts over the period of the sub lease.

Deferred tax
The provision for deferred tax consists of the following deferred tax liabilities (assets):

	31 Dec 2015	*31 Dec 2014*
	£'000	*£'000*
Accelerated capital allowances	32	89
Revaluation of tangible assets	-	-
Post-employment benefits	(411)	(606)
Derivative financial liabilities	(282)	(164)
Share based payments	-	-
Other timing differences	(100)	(172)
Total provision	(761)	(852)

22. Financial instruments

Derivative financial instruments – Forward contracts

The Group enters into forward currency contracts to mitigate the exchange rate risk arising on future currency receivables. At 31 December 2015, the outstanding forward contracts mature with value dates between January 2016 and November 2017, which is in line with the expected future cash flows being hedged.

At 31 December 2015 there were outstanding forward exchange contracts for the sale of foreign currencies for sterling as follows:

	Contract value	**Fair value**
	2015	*2015*
	£000	*£000*
Contracts to sell USD 35.3m	22,492	23,911
Contract to sell EURO 2.75m	2,150	2,116
	24,642	26,027

During the period a loss of £9,169 was charged to the profit and loss account.

Notes to the financial statements

for the year ended 31 December 2015

23. Called up share capital

	Authorised		Allotted, called up and fully paid	
	31 Dec 2015 *£000*	*31 Dec 2014* *£000*	*31 Dec 2015* *£000*	*31 Dec 2014* *£000*
Ordinary shares of 25p each	5,000	5,000	1,325	1,325
Number of shares	20,000,000	20,000,000	5,298,888	5,298,888

24. Contingent liabilities

The Company participates in the Griffin Insurance Association Insurance Mutual. The Mutual operates purely on participant funding and therefore the Company could potentially be liable for a share of any deficit should claims reach a sufficient level. In the view of the Directors, the likelihood of such an event occurring is not sufficient to warrant provision within these financial statements. Any such provision would only be quantifiable once a deficit in the Mutual was notified. The Directors are not aware of any claims within the Mutual sufficient to warrant such notification.

25. Financial guarantees

The company is a co-guarantor with other companies in the group in respect of the foreign exchange hedging facility with Barclays Bank Plc.

26. Controlling parties

The immediate parent undertaking is RFIB Holdings Limited, a company incorporated in England and Wales.

The ultimate parent undertaking and the smallest and largest group to consolidate these financial statements is CCP TopCo Limited. Copies of the CCP TopCo Limited consolidated financial statements can be obtained from the Company Secretary at 20 Gracechurch Street, London EC3V 0AF.

The ultimate controlling party is Calera Capital Partners IV (Cayman) AIV I LP.

Notes to the financial statements

for the year ended 31 December 2015

27. Transition to FRS 102

This is the first year that the company has presented its results under FRS 102. The last financial statements under the UK GAAP were for the year ended 31 December 2014. The date of transition to FRS 102 was 1 January 2014. Set out below are the changes in accounting policies which reconcile profit for the financial year ended 31 December 2014 and the total equity as at 1 January 2014 and 31 December 2014 between UK GAAP as previously reported and FRS 102.

Other comprehensive income		**Year ended 31 Dec 2014 £'000**
UK GAAP – As previously reported		144
Derivative financial instruments	A	(2,111)
Deferred tax impact of adjustment	B	
- Derivative financial instruments		422
FRS 102		**(1,545)**

Total equity		**1 January 2014 £'000**	**31 December 2014 £'000**
UK GAAP – As previously reported		8,443	8,917
Derivative financial instruments	A	1,290	(821)
Deferred tax impact of adjustment	B		
- Derivative financial instruments		(258)	164
FRS 102		**9,475**	**8,260**

A. Derivative financial instruments
FRS 102 requires derivative financial instruments to be recognised at fair value. Previously under UK GAAP the company did not recognise these instruments in the financial statements. Accordingly at transition an asset of £1,290,000 was recognised and a loss of £2,111,000 was recognised in other comprehensive income statement for the year ended 31 December 2014. A liability of £821,000 was recognised at that date.

B. Deferred taxation
The company has accounted for deferred taxation on transition as follows:

(a) Derivative financial instruments – Deferred tax of £258,000 has been recognised at 20% on the asset recognised on transition at 1 January 2014. In the year ended 31 December 2014 the company has recognised a credit of £422,000 in the other comprehensive income statement in respect of the change in the value of the derivative liabilities held on the balance sheet.