

Registration number: 05587424

Cullum Capital Ventures Limited

Financial Statements

for the Year Ended 31 December 2013

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Cullum Capital Ventures Limited
Company Information

Company secretary	J Owens
Registered office	Towergate House Eclipse Park Sittingbourne Road Maidstone Kent ME14 3EN
Auditors	KPMG Audit Plc 15 Canada Square Canary Wharf London E14 5GL

Cullum Capital Ventures Limited

Strategic Report for the Year Ended 31 December 2013

The directors present their strategic report for the year ended 31 December 2013.

Principal activities and business review

The results for Cullum Capital Ventures Limited ("the Company") show a pre-tax profit of £25,881,552 (2012: £46,967,450) for the year and turnover of £Nil (2012: £1,641,264). The Company has net assets of £90,705,017 (2012: £63,879,749).

The principal activity of the Company is that of an intermediate holding company.

Business Objectives

The Company's performance and value, as a holding company of the Group, is integrated with its investment in the Company's subsidiaries. As such from the perspective of the Company, the principal risks and uncertainties are integrated with the principal risks of the group and are managed separately. Accordingly, the principal risks and uncertainties are discussed in the Group's annual report of Towergate PartnershipCo Limited.

A principal risk of this holding Company is the trading performance of its subsidiaries. Trading performance in subsidiaries could create the need for impairment leading to a reduction in net assets and distributable reserves of the Company. Each subsidiary sets performance targets for the year ahead and performance is reviewed regularly against these targets. Reasons for under performance are monitored and mitigating actions are taken. Investments are reviewed for impairment to ensure the appropriate carrying value for each investment in the holding company's accounts.

Principal risks and uncertainties

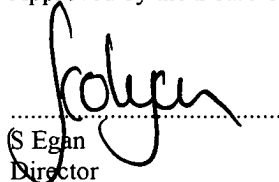
On 19 November 2014 the unaudited consolidated financial statements for Towergate Holdings II Limited, an intermediate holding company, were published for the nine month period ended 30 September 2014. Those consolidated financial statements highlighted uncertainties over the group's operational cash flow and liquidity requirements in Q1 2015, a requirement to renegotiate financial covenants and the quantum, timing and recoveries of customer redress payments relating to historic advice given by the group's Towergate Financial businesses. Further consideration of this disclosure and the impact on the preparation of the Company's financial statements can be found in Note 1.

Key performance indicators

The directors of Towergate PartnershipCo Limited manage the group's operations on an individual basis. The development, performance and position of the Group which includes the Company, is discussed in the Group's annual report.

The key performance indicator for this company is the carrying value of its subsidiaries, as this is the main asset of the Company. As discussed in the principal risks and uncertainties above, the performance of the subsidiary undertakings will determine whether an impairment to the carrying value is required and this is tested on a regular basis.

Approved by the Board on 19 December 2014 and signed on its behalf by:



S Egan
Director

Cullum Capital Ventures Limited

Directors' Report for the Year Ended 31 December 2013

The directors present their report and the financial statements for the year ended 31 December 2013.

Directors of the Company

The directors who held office during the year were as follows:

S Egan

M Rea

MS Hodges (*resigned 17 October 2014*)

AC Homer (*resigned 4 February 2013*)

PG Cullum (*resigned 4 February 2013*)

D Bruce (*resigned 17 January 2014*)

G Tate (*resigned 31 May 2013*)

Dividends

The directors recommend a final dividend payment of £Nil be made in respect of the financial year ended 31 December 2013.

Political and charitable donations

The Company made charitable contributions of £211 (2012: £828) during the year.

Going concern

The financial statements of the Company set out on pages 8 to 25 have been prepared on a going concern basis. The directors believe the going concern basis to be appropriate following their assessment of the Company's financial position and its ability to meet its obligations as and when they fall due. Further details of this assessment can be found in Note 1 to these financial statements.

Directors liabilities

All directors benefit from qualifying third party indemnity provisions in place during the financial year and at the date of this report.

Disclosure of information to the auditors

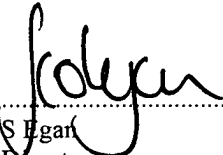
Each director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information. The directors confirm that there is no relevant information that they know of and of which they know the auditors are unaware.

Cullum Capital Ventures Limited
Directors' Report for the Year Ended 31 December 2013

Reappointment of auditors

Our auditor, KPMG Audit Plc, has instigated an orderly wind down of business. The board has decided to put KPMG LLP forward to be appointed as auditors and the resolution concerning their appointment will be put forward for approval at the forthcoming board meeting.

Approved by the Board on 19 December 2014 and signed on its behalf by:


.....
S Egan
Director

Cullum Capital Ventures Limited

Statement of Directors' Responsibilities

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the directors are required to:

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

Independent Auditor's Report to the members of Cullum Capital Ventures Limited

We have audited the financial statements of Cullum Capital Ventures Limited for the year ended 31 December 2013, set out on pages 8 to 25. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the Statement of Directors' Responsibilities (set out on page 5), 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). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's web-site at www.frc.org.uk/auditscopeukprivate.

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2013 and of its profit 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.

Emphasis of matter - going concern

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosure made in note 1 to the financial statements concerning the reliance of the Company on the Towergate Group to enable it to continue as a going concern. Note 1 discloses the need for the Directors of the Towergate Group successfully to manage the material uncertainties referred to in that note in order for the Group to continue as a going concern. This condition gives rise in turn to material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern. These financial statements do not include the adjustments that would result if the Company was unable to continue as a going concern.

Opinion on other matter prescribed by the Companies Act 2006

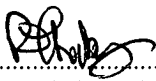
In our opinion the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Independent Auditor's Report to the members of Cullum Capital Ventures Limited

Matters on which we are required to report by exception

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

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



.....
Rajan Thakrar (Senior Statutory Auditor)
For and on behalf of KPMG Audit Plc, Statutory Auditor

15 Canada Square
Canary Wharf
London
E14 5GL

19 December 2014

Cullum Capital Ventures Limited
Profit and Loss Account for the Year Ended 31 December 2013

	Note	2013 £	2012 £
Turnover		-	1,641,264
Administrative expenses		<u>(4,121,582)</u>	<u>(6,106,202)</u>
Operating loss	2	(4,121,582)	(4,464,938)
Exceptional profit on sale or termination of operations	3	16,190,349	-
Income from shares in group undertakings		29,512,452	71,961,724
Other interest receivable and similar income	6	43,571	14,172
Amounts written off investments		(15,800,582)	(16,210,616)
Interest payable and similar charges	7	<u>57,344</u>	<u>(4,332,892)</u>
Profit on ordinary activities before taxation		25,881,552	46,967,450
Tax on profit on ordinary activities	8	<u>943,716</u>	<u>1,964,146</u>
Profit for the financial year	16	<u><u>26,825,268</u></u>	<u><u>48,931,596</u></u>

Turnover and operating profit derive wholly from continuing operations.

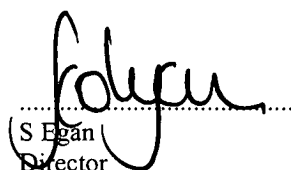
The Company has no recognised gains or losses for the year other than the results above.

There is no difference between the profit on ordinary activities before taxation and the retained profit for the year stated above, and their historical cost equivalents.

Cullum Capital Ventures Limited
(Registration number: 05587424)
Balance Sheet as at 31 December 2013

	Note	2013 £	2012 £
Fixed assets			
Tangible assets	9	115,051	1,627,464
Investments	10	<u>141,938,552</u>	<u>107,298,349</u>
		<u>142,053,603</u>	<u>108,925,813</u>
Current assets			
Debtors	11	38,548,735	33,580,230
Cash at bank and in hand		<u>2,443,952</u>	<u>653,637</u>
		40,992,687	34,233,867
Creditors: Amounts falling due within one year	12	<u>(85,113,563)</u>	<u>(77,415,499)</u>
Net current liabilities		<u>(44,120,876)</u>	<u>(43,181,632)</u>
Total assets less current liabilities		97,932,727	65,744,181
Creditors: Amounts falling due after more than one year	13	(7,175,809)	(1,807,397)
Provisions for liabilities	14	<u>(51,901)</u>	<u>(57,035)</u>
Net assets		<u>90,705,017</u>	<u>63,879,749</u>
Capital and reserves			
Called up share capital	15	1,025,312	1,025,311
Share premium reserve	16	39,781,635	39,781,635
Profit and loss account	16	<u>49,898,070</u>	<u>23,072,803</u>
Shareholders' funds	17	<u>90,705,017</u>	<u>63,879,749</u>

Approved by the Board on 19 December 2014 and signed on its behalf by:


S Egan
Director

The notes on pages 10 to 25 form an integral part of these financial statements.

Cullum Capital Ventures Limited

Notes to the Financial Statements

1 Accounting policies

Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards.

Exemption from preparing a cash flow statement

The Company is exempt from preparing a cash flow statement as 90% or more of the voting rights are held within the Group.

Cullum Capital Ventures Limited

Notes to the Financial Statements

Going concern

The financial statements of the Company set out on pages 8 to 24 have been prepared on a going concern basis. The directors believe the going concern basis to be appropriate following their assessment of the Company's financial position and its ability to meet its obligations as and when they fall due as described below.

At 31 December 2013, the company has net assets of £90,705,017 (2012: £63,879,749) and net current liabilities of £44,120,876 (2012: £43,181,632), including an inter-company debtor balance of £29,250,905 (2012: £29,868,870), an inter-company creditor balance of £80,526,933 (2012: £75,200,830) and investments in Group companies of £141,938,552 (2012: £107,298,349).

The Company's inter-company creditors are subject to a conditional arrangement that has been made between certain group undertakings that states it is not the present intention to seek repayment of amounts due in respect of these inter-company loans for a period of 12 months from the date of approval of these financial statements. The arrangement has been made on the basis of updated balances at 30 November 2014 which amounted to an intercompany creditor balance of £76,801,794. The arrangement represents a statement of present intention and could be subject to change in respect of actions deemed appropriate by the Group undertaking including (i) a sale of all or part of the Towergate Group or any of its assets, (ii) a financial restructuring of the Group or any of its members; and/or (iii) any other measures to improve the Group's liquidity.

In addition, the Company's inter-company debtors are subject to the same arrangement as that described above, whereby, subject to the conditions noted above, it is not the Company's current intention to seek repayment of the inter-company debtor amounts for a period of 12 months from the date of approval of these financial statements. The arrangement has been made on the basis of updated balances at 30 November 2014 which amounted to an intercompany creditor balance of £154,509. The inter-company debtors and inter-company creditors have not been reclassified to more than one year.

The Company is one of a number of subsidiaries who guarantee bank and bond debt owed by Towergate Finance plc, an intermediate holding company (Note 19).

In reaching their view on preparation of the Company's financial statements on a going concern basis, the Directors have therefore considered significant uncertainties facing the wider Towergate Group, which were disclosed on 19 November 2014 in the consolidated financial statements of Towergate Holdings II Limited, an intermediate parent company, for the period ended 30 September 2014. Those consolidated financial statements highlighted uncertainties over the Group's operational cash flow and liquidity requirements in Q1 2015 and respective management actions some of which require the agreement of third parties, the successful renegotiation of the Group's financial covenant attaching to a fully drawn £85m Revolving Credit Facility and the quantum, timing and recoveries of customer redress payments relating to advice given by the group's Towergate Financial businesses. Due to the uncertainties facing the group, it has to be recognised that there is material uncertainty which may cast significant doubt as to the Group's ability to continue as a going concern and, if the assumptions underpinning the Group's remedial plans are not realised, the Group may be unable to realise its assets and discharge its liabilities in the normal course of business.

Cullum Capital Ventures Limited

Notes to the Financial Statements

Nevertheless, the Directors of the Company have considered the conclusions reached by the Directors on Towergate Holdings II Limited regarding the Group's going concern position and the trading performance and operational costs of the Company and believe that it will have adequate financial resources to enable it to continue in operational existence for the foreseeable future. Accordingly the Directors have continued to adopt the going concern basis in preparing the financial statements.

In light of the uncertainties facing the Towergate Group highlighted above, the Directors have considered the requirement for ongoing support from the group for the foreseeable future, the recoverability of the inter-company debtor balance, the realisation of investments in other Group companies, the possibility that the inter-company creditor balance may be called and the likelihood and consequences of the Company being called on to fulfil its obligations as a guarantor of the debts owed by Towergate Finance plc. Whilst the Directors have no reason to believe that Group support would not be forthcoming for the foreseeable future, given the significant uncertainties facing the Group noted above, there is uncertainty over the ability of the Group to provide support to the Company. In addition, additional support would be required if the inter-company debtor was not recoverable, the investments balance could not be realised, the inter-company creditor was called or the Company was called on to fulfil its debt guarantee obligations. It has to be recognised that the significant uncertainties facing the Group give rise to a material uncertainty for the Company that may cast significant doubt over its ability to continue as a going concern and that it may therefore be unable to realise its assets and discharge its liabilities in the normal course of business.

Turnover

Turnover represents amounts receivable from investments in associate companies and is recognised when the amount can be measured with reasonable certainty which is typically the earlier of confirmation of the amount from the management of the relevant company or receipt of cash

Amortisation

Amortisation is provided on intangible fixed assets so as to write off the cost, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Amortisation method and rate
Goodwill	Straight line over 20 years

Depreciation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Computer equipment	25% per annum on a straight line basis
Fixtures and fittings	15% per annum on a straight line basis
Furniture and equipment	20% per annum on a straight line basis

Impairment of fixed assets

Intangible and tangible fixed assets are reviewed for impairment when changes in circumstances or events indicate that the carrying value of the fixed assets may not be recoverable. An impairment loss is recognised where the recoverable amount is less than the carrying value.

Fixed asset investments

Fixed asset investments are stated at historical cost less provision for any diminution in value.

Provisions

A provision is recognised when there is a legal or constructive obligation as a result of a past event and it is probable that an outflow of economic benefits will be required to settle the obligation.

Cullum Capital Ventures Limited

Notes to the Financial Statements

Deferred tax

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes, which have arisen but not reversed by the balance sheet date, except as required by FRS19.

Deferred tax is measured at the rates that are expected to apply in the periods when the timing differences are expected to reverse, based on the tax rates and law enacted at the balance sheet date.

Post retirement benefits

The company operates a defined contribution pension scheme. Contributions are recognised in the profit and loss account in the period in which they become payable in accordance with the rules of the scheme.

Cullum Capital Ventures Limited

Notes to the Financial Statements

2 Operating loss

Operating loss is stated after charging/(crediting):

	2013	2012
	£	£
Depreciation of owned assets	35,921	540,986
Auditors remuneration - audit of these financial statements	<u>8,280</u>	<u>8,856</u>

Amounts receivable by the Company's auditor in respect of services to the Company and its associates, other than the audit of the Company's financial statements, have not been disclosed as the information is required instead to be disclosed on a consolidated basis in the consolidated financial statements of the Company's parent, Towergate PartnershipCo Limited.

3 Exceptional items

	2013	2012
	£	£
Exceptional profit on sale or termination of operations	<u>(16,190,349)</u>	<u>-</u>

On 30 June 2013 the Company disposed of Berkeley Alexander Limited to Paymentsshield Limited, a fellow subsidiary within the Towergate PartnershipCo Limited group for a consideration of £9,700,000. At this date the investment in Berkeley Alexander Limited was impaired by £2,123,668.

On 31 October 2013 the Company disposed of Infinity Sports and Leisure Limited for a consideration of £9,250,000. At this date the investment was impaired by £635,983.

4 Particulars of employees

The average number of persons employed by the Company (including directors) during the year, analysed by category was as follows:

	2013	2012
	No.	No.
Administration and support	53	77

The aggregate payroll costs were as follows:

	2013	2012
	£	£
Wages and salaries	1,926,814	2,751,281
Social security costs	264,122	483,351
Other pension schemes	<u>89,224</u>	<u>169,080</u>
	<u>2,280,160</u>	<u>3,403,712</u>

Cullum Capital Ventures Limited

Notes to the Financial Statements

5 Directors' remuneration

The directors' remuneration for the year was as follows:

	2013 £	2012 £
Remuneration	224,716	1,333,401
Contributions paid to money purchase schemes	<u>18,500</u>	<u>-</u>
	<u>243,216</u>	<u>1,333,401</u>

The emoluments of Messrs Hodges, Homer, Rea, Tate, Cullum and Egan are paid by other Group companies, which make no recharge to the Company. These directors are directors of the ultimate parent company and / or a number of fellow subsidiaries and it is not possible to make an accurate apportionment of their emoluments in respect of each of the subsidiaries. Their total emoluments are included in the financial statements of the ultimate parent company.

In respect of the highest paid director:

	2013 £	2012 £
Remuneration	224,716	618,794
Company contributions to money purchase pension schemes	<u>18,500</u>	<u>-</u>

6 Other interest receivable and similar income

	2013 £	2012 £
Bank interest receivable	7,044	14,172
Other interest receivable	<u>36,527</u>	<u>-</u>
	<u>43,571</u>	<u>14,172</u>

7 Interest payable and similar charges

	2013 £	2012 £
Interest on bank borrowings	(60,500)	4,192,888
Interest Payable - FIC	3,156	3,446
Interest on overdue Tax	<u>-</u>	<u>136,558</u>
	<u>(57,344)</u>	<u>4,332,892</u>

Cullum Capital Ventures Limited
Notes to the Financial Statements

8 Taxation

Tax on profit on ordinary activities

	2013 £	2012 £
Current tax		
Corporation tax charge	(924,066)	(2,116,204)
Adjustments in respect of previous years	<u>41,404</u>	<u>174,803</u>
UK Corporation tax	(882,662)	(1,941,401)
Deferred tax		
Origination and reversal of timing differences	<u>(61,054)</u>	<u>(22,745)</u>
Total tax on profit on ordinary activities	<u>(943,716)</u>	<u>(1,964,146)</u>

Factors affecting current tax charge for the year

The tax on profit on ordinary activities for the year is lower than the standard rate of corporation tax in the UK (2012 -lower than the standard rate of corporation tax in the UK) of 23.25% (2012 - 24.5%).

The differences are reconciled below:

	2013 £	2012 £
Profit on ordinary activities before tax	<u>25,881,552</u>	<u>46,967,450</u>
Corporation tax at standard rate	6,017,460	11,507,026
Capital allowances in excess of depreciation	8,352	30,740
Non-taxable income	(6,861,645)	(17,630,622)
Expenses not deductible for tax purposes	2,388	5,052
Non-tax deductible amortisation of goodwill and impairment	3,673,635	3,971,601
Adjustment for prior periods	41,404	174,803
On disposal of investments	<u>(3,764,256)</u>	<u>-</u>
Total current tax	<u>(882,662)</u>	<u>(1,941,400)</u>

Cullum Capital Ventures Limited

Notes to the Financial Statements

Factors that may affect future tax charges

The Budget on 20 March 2013 announced that the UK corporation tax rate will reduce to 20% by April 2015. A reduction in the rate from 25% to 23% (effective from 1 April 2013) was substantively enacted on 3 July 2012, and a further reduction to 21% (effective from 1 April 2014) and then 20% (effective 1 April 2015) was enacted on 17 July 2013.

This will reduce the Company's future current tax charge accordingly. The deferred tax asset at 31 December 2013 has been calculated based on the rate of 20% substantively enacted at the balance sheet date.

It has not yet been possible to quantify the full anticipated effect of the announced further 3% rate reduction, although this will further reduce the Company's future current tax charge.

9 Tangible fixed assets

	Fixtures and fittings £	Office equipment £	Computer £	Total £
Cost				
At 1 January 2013	52,685	18,544	3,193,461	3,264,690
Additions	15,162	8,561	23,082	46,805
Disposal of businesses	(5,242)	(1,766)	(2,517,889)	(2,524,897)
At 31 December 2013	<u>62,605</u>	<u>25,339</u>	<u>698,654</u>	<u>786,598</u>
Depreciation				
At 1 January 2013	36,192	5,100	1,595,934	1,637,226
Charge for the year	(414)	5,692	30,642	35,920
Disposal of businesses	(648)	(530)	(1,000,421)	(1,001,599)
At 31 December 2013	<u>35,130</u>	<u>10,262</u>	<u>626,155</u>	<u>671,547</u>
Net book value				
At 31 December 2013	<u>27,475</u>	<u>15,077</u>	<u>72,499</u>	<u>115,051</u>
At 31 December 2012	<u>16,493</u>	<u>13,444</u>	<u>1,597,527</u>	<u>1,627,464</u>

Cullum Capital Ventures Limited
Notes to the Financial Statements

10 Investments held as fixed assets

	2013	2012
	£	£
Shares in group undertakings and participating interests	<u>141,938,552</u>	<u>107,298,349</u>

Shares in group undertakings and participating interests

	Subsidiary undertakings £
Cost	
At 1 January 2013	107,298,349
Additions	49,326,777
Disposals	<u>(14,686,574)</u>
At 31 December 2013	<u>141,938,552</u>
Net book value	
At 31 December 2013	<u>141,938,552</u>
At 31 December 2012	<u>107,298,349</u>

Additions relate to the increase in existing shareholdings plus the acquisition of the following companies:

Morgan Brokers Holdings Ltd
Newbold Barwick Ltd
Waveney Insurance Brokers Ltd
Underwood Insurance Services Ltd
Brighton Insurance Group Ltd

Disposals relate to the impairment of hived up companies due to reorganisation within the Company's subsidiaries where by one subsidiary of the Company, CCV Risk Solutions Ltd acquired a number of portfolios from other subsidiaries of the Company, plus the disposal of the following companies:

Berkeley Alexander Ltd
Infinity Sports and Leisure Ltd

Cullum Capital Ventures Limited

Notes to the Financial Statements

Details of undertakings

Details of the investments in which the Company holds 20% or more of the nominal value of any class of share capital at the year end and where the companies are either actively trading or holding companies are as follows:

Undertaking	Country of incorporation	Holding	Proportion of voting rights and shares held	Principal activity
CCV Risk Solutions Limited	England and Wales	Ordinary	100%	Insurance broking
CCV Trustees Ltd	England and Wales	Ordinary	100%	Trust
Roundcroft Ltd	England and Wales	Ordinary	100%	Holding company
Fenton Insurance Solutions Ltd	England and Wales	Ordinary	85%	Insurance broking
Arthur Marsh & Sons Ltd	England and Wales	Ordinary	95.56%	Insurance broking
Oyster Property Insurance Specialists Ltd	England and Wales	Ordinary	64%	Insurance broking
Morgan Law (Holdings) Ltd	England and Wales	Ordinary	85%	Holding company
Morgan Law Ltd*	England and Wales	Ordinary	85%	Insurance company
Dawson Pennington & Company Ltd	England and Wales	Ordinary	100%	Holding company
Protectagroup Acquisitions Ltd	England and Wales	Ordinary	100%	Holding company
Portishead Insurance Management Ltd	England and Wales	Ordinary	100%	Holding company
Four Counties Insurance Brokers Ltd#	England and Wales	Ordinary	94.6%	Insurance broking
Four Counties Finance Ltd	England and Wales	Ordinary	100%	Holding company
B.I.B (Darlington) Acquisitions Ltd	England and Wales	Ordinary	95%	Holding company
B.I.B (Darlington) Ltd*	England and Wales	Ordinary	95%	Insurance broking
B.I.B Underwriters Acquisitions Ltd	England and Wales	Ordinary	95%	Holding company
B.I.B Underwriters Ltd*	England and Wales	Ordinary	95%	Underwriting
Bishop Skinner Acquisitions Ltd	England and Wales	Ordinary	91%	Holding company

Cullum Capital Ventures Limited
Notes to the Financial Statements

Bishop Skinner Insurance Brokers Holdings Ltd*	England and Wales	Ordinary	91%	Holding company
Bishop Skinner Insurance Brokers Ltd*	England and Wales	Ordinary	91%	Insurance broking
Antur (West Wales) Ltd	England and Wales	Ordinary	80%	Holding company
Antur Insurance Services Ltd	England and Wales	Ordinary	80%	Insurance broking
Ainsbury (Insurance Brokers) Ltd	England and Wales	Ordinary	100%	Holding company
Suddard Davies & Associated Ltd	England and Wales	Ordinary	90%	Insurance broking
Waveney Insurance Brokers Commercial Ltd	England and Wales	Ordinary	92.39%	Insurance broking
Waveney Insurance Brokers Ltd	England and Wales	Ordinary	92.39%	Holding company
Waveney Group Schemes Ltd#	England and Wales	Ordinary	92.39%	Insurance broking

Except where indicated, 100% of the voting rights are held directly or indirectly by Cullum Capital Ventures Limited.

* (denotes indirect holding)

(denotes a direct holding plus indirect holding)

Cullum Capital Ventures Limited
Notes to the Financial Statements

11 Debtors

	2013 £	2012 £
Amounts owed by group undertakings	29,250,905	29,868,870
Other debtors	9,048,402	3,309,872
Deferred tax	121,462	60,408
Prepayments and accrued income	127,966	341,080
	<u>38,548,735</u>	<u>33,580,230</u>

Amounts owed by group undertakings are subject to a conditional arrangement between certain group companies. Further details are set out in Note 1 to the financial statements.

Deferred tax

The movement in deferred tax in the year is as follows:

	Deferred tax £
At 1 January 2013	60,408
Utilised during the period	<u>61,054</u>
At 31 December 2013	<u>121,462</u>

Analysis of deferred tax

	2013 £	2012 £
Difference between accumulated depreciation and amortisation and capital allowances	47,855	60,408
Other timing differences	73,607	-
	<u>121,462</u>	<u>60,408</u>

12 Creditors: Amounts falling due within one year

	2013 £	2012 £
Amounts owed to group undertakings	80,526,933	75,200,830
Other taxes and social security	92,287	109,701
Other creditors	20,522	2,947
Accruals and deferred income	302,003	40,349
Deferred consideration payable	4,171,818	2,061,672
	<u>85,113,563</u>	<u>77,415,499</u>

Cullum Capital Ventures Limited

Notes to the Financial Statements

Amounts owed to group undertakings are subject to a conditional arrangement between certain group companies. Further details are set out in Note 1.

13 Creditors: Amounts falling due after more than one year

	2013 £	2012 £
Deferred consideration	<u>7,175,809</u>	<u>1,807,397</u>

14 Provisions

	Other provision £
At 1 January 2013	57,035
Utilised during the period	<u>(5,134)</u>
At 31 December 2013	<u>51,901</u>

The provision relates to a share based provision held due to a share appreciation rights plan operated by the Company.

15 Share capital

Allotted, called up and fully paid shares

	No.	2013 £	No.	2012 £
Ordinary Shares of £1 each	<u>1,025,312</u>	<u>1,025,312</u>	<u>1,025,311</u>	<u>1,025,311</u>

16 Reserves

	Share premium account £	Profit and loss account £	Total £
At 1 January 2013	39,781,635	23,072,802	62,854,437
Profit for the year	<u>-</u>	<u>26,825,268</u>	<u>26,825,268</u>
At 31 December 2013	<u>39,781,635</u>	<u>49,898,070</u>	<u>89,679,705</u>

Cullum Capital Ventures Limited
Notes to the Financial Statements

17 Reconciliation of movement in shareholders' funds

	2013 £	2012 £
Profit attributable to the members of the Company	26,825,268	48,931,596
New share capital subscribed	-	39,999,999
Net addition to shareholders funds	26,825,268	88,931,595
Shareholders' funds/(deficit) at 1 January	63,879,749	(25,051,846)
Shareholders' funds at 31 December	<u>90,705,017</u>	<u>63,879,749</u>

18 Pension schemes

Defined contribution pension scheme

Towergate PartnershipCo Limited and the Company operate a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the Company to the scheme and amounted to £89,224 (2012 - £169,080).

Contributions totalling £13,217 (2012 - £51,833) were payable to the scheme at the end of the year and are included in creditors.

Cullum Capital Ventures Limited Notes to the Financial Statements

19 Contingent liabilities

Guarantees

On 10 May 2013 Towergate Finance Plc completed a partial refinancing of the group's borrowings and outstanding bank debt at that date of £394million was repaid in full. As part of the refinancing a new £85million Revolving Credit Facility with a syndicate of banks, led by Lloyds Banking Group plc ("Towergate Facilities") were put in place and Senior Secured Floating Rate Notes of £396million were issued by Towergate Finance Plc. In addition, £14.6million of Senior Secured Notes were exchanged for additional 10.5% Senior Notes.

The obligations of Towergate Finance plc under the Towergate Facilities as well as its obligations under the Floating Rate Senior Secured Notes, the 8.5% Senior Secured Notes and the 10.5% Senior Notes are guaranteed by Towergate Holdings II Limited and all its material and certain other subsidiaries. These companies are listed below:

Towergate Finance plc	Cullum Capital Ventures Limited
Towergate Holdings II Limited	Four Counties Finance Limited
Towergate Insurance Limited	Capital & County Insurance Brokers Limited
Fusion Insurance Holdings Limited	Three Counties Insurance Brokers Limited
Fusion Insurance Services Limited	CCV Risk Solutions Limited
The Hayward Holding Group Limited	Just Insurance Brokers Limited
Hayward Aviation Limited	Cox Lee & Co Limited
Paymentshield Group Holdings Limited	Portishead Insurance Management Limited
Paymentshield Holdings Limited	HLI (UK) Limited
Paymentshield Limited	Berkeley Alexander Limited
Broker Network Holdings Limited	Protectagroup Acquisitions Limited
The Broker Network Limited	Protectagroup Holdings Limited
The TF Bell Group Limited	Protectagroup Limited
TF Bell Holdings Limited	Crawford Davis Insurance Consultants Limited
Townfrost Limited	Roundcroft Limited
Towergate Underwriting Group Limited	Richard V Wallis & Co Limited
Towergate Risk Solutions Limited	Moffatt & Co Limited
Towergate London Market Limited	Countrywide Insurance Management Limited
Oyster Risk Solutions Limited	Eclipse Park Acquisitions Limited
TE Risk Solutions Limited	Managing Agents Reference Assistance Services Limited

Cullum Capital Ventures Limited

Notes to the Financial Statements

20 Related party transactions

The Company has taken advantage of the exemption in FRS8 "Related Party Disclosures" from disclosing transactions with other members of the Group.

21 Control

The parent of the largest Group in which results are consolidated is Towergate PartnershipCo Limited.

Consolidated financial statements are available from:

Towergate House
Eclipse Park
Sittingbourne Road
Maidstone
Kent ME14 3EN

The ultimate parent company is Towergate PartnershipCo Limited.