

Registration number: 05587424

Cullum Capital Ventures Limited

Financial Statements

for the period from 1 January 2014 to 30 December 2014

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Cullum Capital Ventures Limited

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Cullum Capital Ventures Limited

Strategic report for the period from 1 January 2014 to 30 December 2014

The director presents his strategic report for the period from 1 January 2014 to 30 December 2014 for Cullum Capital Ventures Limited ("the Company"). The strategic report provides a review of the business for the financial period and describes how the directors manage risks. The report outlines the developments and performance of the Company during the financial period, the position at the end of the period and discusses the main trends and factors that could affect the future. The Company is part of the Towergate Insurance Limited Group ("the Group").

Principal activities and business review

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

The results for the Company show turnover of £ (2013: £Nil) and loss on ordinary activities before taxation of £5,433,206 (2013: profit £25,881,552) for the period. At 30 December 2014 the Company had net assets of £86,106,066 (2013: £90,705,017).

Outlook

The Company will continue to focus on retention of customers through enhanced customer contact and gaining new business through targeted marketing campaigns.

Key performance indicators

The directors of Towergate Insurance Limited manage the Group's operation on a divisional basis. For this reason, the Company's directors believe that a separate analysis for the Company is not necessary or appropriate for an understanding of the development, performance or position of the business. The development, performance and position of the Group which includes this Company, is discussed in the Group's annual report. The key performance indicator for the 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 section of this report, 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. There were impairment charges of £97,799 in the current period.

Key performance indicators

The Company's financial key performance indicators are set out below:

Non financial key performance indicators include staffing levels which fell by 64% throughout the period. The Company actively encourages all employees to become involved in Group affairs and is also keen to encourage two way communications on relevant business issues. This is achieved through regular employee meetings and presentations by senior management and is supported by a Group wide communication plan. Further discussions on employee matters can be found in the director's report.

Cullum Capital Ventures Limited
Strategic report for the period from 1 January 2014 to 30 December 2014

Principal risks and uncertainties

Group restructuring

On 2 April 2015 control of the Group changed as a consequence of the financial restructuring of the senior secured creditors and senior unsecured creditors of Towergate Finance plc (a former intermediate parent company). As part of this, TIG Finco plc acquired the Group for consideration of £735m made up of (i) the issue of £425m of senior secured notes by TIG Finco plc, and (ii) the issue of new shares in TIG Topco Limited, TIG Finco plc's indirect parent company, valued at £310m.

As a result of these transactions, in April 2015, the Group and its subsidiaries became part of a new group with Highbridge Principal Strategies LLC as the majority shareholder.

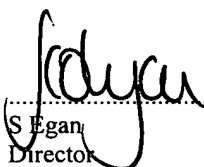
As part of the restructuring, additional capital of £122m was received by the Group through the issue by TIG Topco Limited of new shares for £50m and the issue by TIG Finco plc of £75m of super senior secured notes at a discount of £3m. This capital was raised to provide liquidity to the Group and specifically to fund (i) the costs of the restructuring of £42m; (ii) Long Term Incentive Plans which became payable following the restructuring of £30m; (iii) retention bonuses of £8m; and (iv) minority interest buy outs of £2m.

Risk management

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 Insurance 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.

Approved by the Board on 11 September 2015 and signed on its behalf by:


.....
S Egan
Director

Cullum Capital Ventures Limited
Director's Report for the period from 1 January 2014 to 30 December 2014

The director presents his report and the financial statements for the period from 1 January 2014 to 30 December 2014.

Directors of the Company

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

S Egan

A D Lyons (appointed 19 December 2014 and resigned 29 June 2015)

PG Cullum (resigned 2 April 2015)

M Rea (resigned 19 December 2014)

AC Homer (resigned 18 December 2014)

MS Hodges (resigned 17 October 2014)

D Bruce (resigned 17 January 2014)

Dividends

The director does not recommend a final dividend payment to be made in respect of the financial period ended 30 December 2014 (2013: £Nil).

Political and charitable donations

The Company made charitable donations of £96 (2013: £211) and political donations of £Nil (2013: £Nil) during the period.

Employment of disabled persons

The Company's policy is to recruit disabled workers for those vacancies that they have the appropriate skills and technical ability to perform. Once employed, a career plan is developed to ensure that suitable opportunities exist for each disabled person. Employees who become disabled during their working life will be retrained if necessary and wherever possible will be given help with any necessary rehabilitation and training. The Company is prepared to modify procedures or equipment, wherever practicable, so that full use can be made of an individual's abilities.

Employee involvement

Employees are key to the Company's success, so an appropriate remuneration package is offered which rewards an individual's performance and contribution to the organisation. The Company is also keen to encourage individual's personal development to ensure that they have the skills required to undertake their role.

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.

Post balance sheet event

The Group has undergone a financial restructuring which completed in April 2015 of which this company is a guarantor, details of this restructuring are included in note 20.

Cullum Capital Ventures Limited
Director's Report for the period from 1 January 2014 to 30 December 2014

Directors liabilities

The director benefits from qualifying third-party indemnity provisions in place during the financial period and at the date of this report.


Disclosure of information to the auditors

The director has taken steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information. The director confirms that there is no relevant information that he knows of and of which he knows the auditors are unaware.

Reappointment of auditors

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office

Approved by the Board on 11 September 2015 and signed on its behalf by:


S Egan
Director

Towergate House
Eclipse Park
Sittingbourne Road
Maidstone
Kent
ME14 3EN

Cullum Capital Ventures Limited

Statement of director's responsibilities

The director is responsible for preparing the strategic report, the director's report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law he has elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice).

Under company law the director must not approve the financial statements unless he is 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 director is 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 director is 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 him to ensure that the financial statements comply with the Companies Act 2006. He has general responsibility for taking such steps as are reasonably open to him to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

Cullum Capital Ventures Limited
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 period from 1 January 2014 to 30 December 2014, set out on pages 8 to 25. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK 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 director's responsibilities set out on pages 5, the director is 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 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 30 December 2014 and of its loss for the period then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

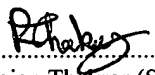
In our opinion the information given in the strategic report and the director's report for the financial period for which the financial statements are prepared is consistent with the financial statements.

Cullum Capital Ventures Limited
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.


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Rajan Thakrar (Senior Statutory Auditor)
For and on behalf of KPMG LLP, Statutory Auditor

15 Canada Square
Canary Wharf
London
E14 5GL

Date: 11 September 2015

Cullum Capital Ventures Limited
Profit and loss account for the period from 1 January 2014 to 30 December 2014

		1 January 2014 to 30 December 2014	Year ended 31 December 2013
	Note	£	£
Turnover		-	-
Administrative expenses		<u>(5,318,678)</u>	<u>(4,121,582)</u>
Operating loss	2	(5,318,678)	(4,121,582)
Exceptional profit on sale or termination of operations	3	-	16,190,349
Income from shares in group undertakings		(23,098)	29,512,452
Other interest receivable and similar income	6	6,143	43,571
Amounts written off investments		(97,799)	(15,800,582)
Interest payable and similar charges	7	<u>226</u>	<u>57,344</u>
Loss on ordinary activities before taxation		(5,433,206)	25,881,552
Tax on loss on ordinary activities	8	<u>834,255</u>	<u>943,716</u>
Loss for the financial period	16	<u><u>(4,598,951)</u></u>	<u><u>26,825,268</u></u>

Turnover and operating profit derive wholly from continuing operations.

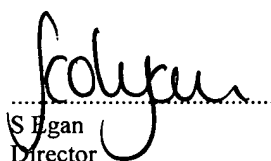
The Company has no recognised gains or losses for the period other than the results above.

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

Cullum Capital Ventures Limited
(Registration number: 05587424)
Balance sheet as at 30 December 2014

	Note	30 December 2014 £	31 December 2013 £
Fixed assets			
Tangible assets	9	69,055	115,051
Investments	10	<u>141,827,231</u>	<u>141,938,552</u>
		<u>141,896,286</u>	<u>142,053,603</u>
Current assets			
Debtors	11	75,692,991	38,548,735
Cash at bank and in hand		<u>212,831</u>	<u>2,443,952</u>
		75,905,822	40,992,687
Creditors: Amounts falling due within one year	12	<u>(130,620,455)</u>	<u>(85,113,563)</u>
Net current liabilities		<u>(54,714,633)</u>	<u>(44,120,876)</u>
Total assets less current liabilities		87,181,653	97,932,727
Creditors: Amounts falling due after more than one year	13	(1,075,587)	(7,175,809)
Provisions for liabilities	14	<u>-</u>	<u>(51,901)</u>
Net assets		<u>86,106,066</u>	<u>90,705,017</u>
Capital and reserves			
Called up share capital	15	1,025,312	1,025,312
Share premium reserve	16	39,781,635	39,781,635
Profit and loss account	16	<u>45,299,119</u>	<u>49,898,070</u>
Shareholder's funds		<u>86,106,066</u>	<u>90,705,017</u>

Approved by the director on 11 September 2015


S Egan
Director

Cullum Capital Ventures Limited
Reconciliation of movement in shareholder's funds as at 30 December 2014

	30 December 2014	31 December 2013
	£	£
(Loss)/profit attributable to the shareholder's of the Company	<u>(4,598,951)</u>	<u>26,825,268</u>
Shareholder's funds at start of period	<u>90,705,017</u>	<u>63,879,749</u>
Shareholder's funds at end of period	<u><u>86,106,066</u></u>	<u><u>90,705,017</u></u>

Cullum Capital Ventures Limited
Notes to the financial statements for the period ended 30 December 2014

1 Accounting policies

Basis of preparation

The financial statements have been prepared in accordance with applicable Accounting Standards in the United Kingdom (UK Generally Accepted Accounting Practice) and under historical cost accounting rules.

The Company is exempt by virtue of s400 of the Companies Act 2006 from the requirement to prepare group financial statements. These financial statements present information about the Company as an individual undertaking and not about its group.

Under FRS 1 the Company is exempt from the requirement to prepare a cash flow statement on the grounds that a parent undertaking includes the Company in its own published consolidated financial statements.

As the Company is a wholly-owned subsidiary of Towergate Insurance Limited the Company has taken advantage of the exemption contained in FRS 8 and has therefore not disclosed transactions or balances with entities which form part of the Group (or investees of the Group qualifying as related parties). The consolidated financial statements of Towergate Insurance Limited, within which the Company is included, can be obtained from the address given in note 21.

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 as described below.

At 30 December 2014, the Company has net assets of £86,106,066 (2013: £90,705,017) and net current liabilities of £54,714,633 (2013: £44,120,876). The net assets include an amount owed by group undertakings of £72,176,210 (2013: £29,250,905), an amount owed to group undertakings of £126,204,048 (2013: £80,526,933) and investments in Group companies of 141,827,231 (2013: 141,938,552). The Group has indicated that it is its current intention that, for at least 12 months from the date of approval of these financial statements, it will continue to make available sufficient funds as are needed by the Company to enable it to continue trading.

The Company was one of a number of subsidiary undertakings who guarantee bank and bond debt owed by Towergate Finance plc, a former intermediate holding company (note 18).

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 Towergate Group that existed at the balance sheet date of 30 December 2014 and subsequent actions and developments in the period up to the date of approval of these financial statements.

The uncertainties that existed at the balance sheet date were disclosed on 19 November 2014 in the consolidated financial statements of Towergate Holdings II Limited, a former intermediate parent company, for the period ended 30 September 2014. Those consolidated financial statements highlighted uncertainties over that Group's operational cash flow and liquidity requirements and respective management actions some of which required the agreement of third parties, the successful renegotiation of that 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.

On 2 April 2015, the Group announced that a restructuring transaction with its senior secured and senior unsecured creditors had been successfully completed, resulting in new ownership for the Group's trading entities, including Cullum Capital Ventures Limited. The transaction resulted in a financial restructuring and recapitalisation of the Group with an equity injection of £50m into the Group together with additional financing of £75m.

Cullum Capital Ventures Limited
Notes to the financial statements for the period ended 30 December 2014

At the date of approval of these financial statements, on the basis of cash flow forecasts prepared under the new structure, the directors believe that this restructuring removes the uncertainties highlighted over the Group's operational cash flow and liquidity requirements. In addition, the £85.0m revolving credit facility has been repaid in full removing the financial covenant obligations faced by the Group.

The Group sold the Towergate Financial Group of businesses on 16 March 2015. As part of the sale the potential liabilities in relation to the advice given on the sale of Enhanced Transfer Values and Unregulated Collective Investment Schemes remain with the Group. Given the number of material uncertainties that continue to exist, it is not yet possible to make a reliable estimate of the Group's ultimate liability in connection with these investigations. However, purely for the purposes of developing business plans and cash flow projections for the Group, a range of £65.0m to £85.0m has been adopted as a potential redress cost, excluding expenses. No provision has been recognised in this Company for the redress costs or expenses for the past business review as the issue relates to the Towergate Financial Group of businesses only.

Based on this and the Group's ability to continue to provide such support as might be required, the Company's directors have a reasonable expectation that the Company will be able to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

As with any company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although at the date of approval of these financial statements, they have no reason to believe that it will not do so.

Property, plant and equipment

Property, plant and equipment is stated in the balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses. The carrying values of property, plant and equipment are reviewed for impairment if events or changes in circumstances indicate the carrying value may not be recoverable, and are written down immediately to their recoverable amount. Useful lives and residual values are reviewed annually and where adjustments are required these are made prospectively. An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the derecognition of the asset is included in the profit and loss account in the period of derecognition.

The cost of property, plant and equipment includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is provided to write off the cost less the estimated residual value of tangible fixed assets by equal instalments over the estimated useful economic lives as follows:

Fixture, fittings and equipment	25% per annum straight line
Computer equipment	25% per annum straight line
Leasehold improvements	Over the remaining life of the lease
Motor vehicles	25% per annum straight line

Cullum Capital Ventures Limited
Notes to the financial statements for the period ended 30 December 2014

Impairment of fixed assets

The carrying amounts of the Company's assets are reviewed for impairment when events or changes in circumstances indicate that the carrying amount of the fixed asset may not be recoverable. If any such indication exists, the asset's recoverable amount is estimated.

An impairment loss is recognised whenever the carrying amount of an asset or its income-generating unit exceeds its recoverable amount. Impairment losses are recognised in the profit and loss account.

Impairment losses recognised in respect of income-generating units are allocated first to reduce the carrying amount of any goodwill allocated to income-generating units. An income-generating unit is the smallest identifiable group of assets that generates income that is largely independent of the income streams from other assets or groups of assets.

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.

Taxation

The tax expense for the period comprises current and deferred tax. Income tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income. Similarly, income tax is charged or credited directly to equity if it relates to items that are credited or charged directly to equity.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates taxable income.

Deferred income tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements and on unused tax losses or tax credits in the Company. Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

The carrying amount of deferred income tax assets is reviewed at each balance sheet date. Deferred income tax assets and liabilities are offset, only if a legal enforcement right exists to set off current tax assets against current tax liabilities, the deferred income taxes relate to the same taxation authority which permits the Company to make a single net payment.

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.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments.

Cullum Capital Ventures Limited
Notes to the financial statements for the period ended 30 December 2014

2 Operating loss

Arrived at after charging:

	1 January 2014 to 30 December 2014	Year ended 31 December 2013
	£	£
Depreciation of owned assets	49,987	35,921
Auditors remuneration - audit of these financial statements	<u>8,280</u>	<u>8,280</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 Insurance Limited.

3 Exceptional items

	1 January 2014 to 30 December 2014	Year ended 31 December 2013
	£	£
Exceptional profit on sale or termination of operations company specific	<u>-</u>	<u>(16,190,349)</u>

4 Staff costs

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

	1 January 2014 to 30 December 2014	Year ended 31 December 2013
	No.	No.
Management	6	11
Administration and support	<u>13</u>	<u>42</u>
	<u>19</u>	<u>53</u>

The aggregate payroll costs were as follows:

	1 January 2014 to 30 December 2014	Year ended 31 December 2013
	£	£
Wages and salaries	1,548,323	1,926,814
Social security costs	179,129	264,122
Other pension schemes	<u>49,976</u>	<u>89,224</u>
	<u>1,777,428</u>	<u>2,280,160</u>

Cullum Capital Ventures Limited
Notes to the financial statements for the period ended 30 December 2014

5 Directors' remuneration

The directors' remuneration for the period was as follows:

	1 January 2014 to 30 December 2014	Year ended 31 December 2013
	£	£
Remuneration	16,083	224,716
Contributions paid to money purchase schemes	<u>1,542</u>	<u>18,500</u>
	<u>17,625</u>	<u>243,216</u>

The emoluments of Messrs Hodges, Homer, Rea, Cullum, Lyons 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:

	1 January 2014 to 30 December 2014	Year ended 31 December 2013
	£	£
Remuneration	16,083	224,716
Company contributions to money purchase pension schemes	<u>1,542</u>	<u>18,500</u>

6 Other interest receivable and similar income

	1 January 2014 to 30 December 2014	Year ended 31 December 2013
	£	£
Bank interest receivable	6,143	7,044
Other interest receivable	<u>-</u>	<u>36,527</u>
	<u>6,143</u>	<u>43,571</u>

7 Interest payable and similar charges

	1 January 2014 to 30 December 2014	Year ended 31 December 2013
	£	£
Interest on bank borrowings	(226)	(60,500)
Other interest payable	<u>-</u>	<u>3,156</u>
	<u>(226)</u>	<u>(57,344)</u>

Cullum Capital Ventures Limited
Notes to the financial statements for the period ended 30 December 2014

8 Taxation

Tax on (loss)/profit on ordinary activities

	1 January 2014 to 30 December 2014 £	Year ended 31 December 2013 £
Current tax		
Corporation tax charge	(866,889)	(924,066)
Adjustments in respect of previous years	<u>(74,627)</u>	<u>41,404</u>
UK Corporation tax	(941,516)	(882,662)
Deferred tax		
Origination and reversal of timing differences	<u>107,261</u>	<u>(61,054)</u>
Total tax on (loss)/profit on ordinary activities	<u><u>(834,255)</u></u>	<u><u>(943,716)</u></u>

Factors affecting current tax charge for the year

The tax on ordinary activities for the period is higher than the standard rate of corporation tax in the UK (2013 - lower than the standard rate of corporation tax in the UK) of 21.49% (2013 - 23.25%).

The differences are reconciled below:

	1 January 2014 to 30 December 2014 £	Year ended 31 December 2013 £
(Loss)/profit on ordinary activities before tax	<u>(5,433,206)</u>	<u>25,881,552</u>
Corporation tax at standard rate	(1,167,596)	6,017,460
Capital allowances in excess of depreciation	10,742	8,352
Non-taxable income	4,964	(6,861,645)
Expenses not deductible for tax purposes	269,104	2,388
Non-tax deductible amortisation of goodwill and impairment	21,017	3,673,635
Adjustment for prior periods	(74,627)	41,404
On disposal of investments	-	(3,764,256)
Other short-term timing differences	<u>(5,120)</u>	<u>-</u>
Total current tax	<u><u>(941,516)</u></u>	<u><u>(882,662)</u></u>

Cullum Capital Ventures Limited
Notes to the financial statements for the period ended 30 December 2014

Factors that may affect future tax charges

A reduction in the UK corporation tax rate from 24% to 23% (effective 1 April 2013) was substantively enacted on 3 July 2012. Further reductions to 21% (effective from 1 April 2014) and 20% (effective from 1 April 2015) were substantively enacted on 2 July 2013. In the Budget on 8 July 2015, the Chancellor announced additional planned reductions to 18% by 2020. This will reduce the company's future current tax charge accordingly.

The deferred tax asset at 30 December 2014 has been calculated based on the rate of 20% substantively enacted at the balance sheet date.

9 Tangible fixed assets

	Fixtures and fittings £	Office equipment £	Computer £	Total £
Cost				
At 1 January 2014	62,605	25,340	698,655	786,600
Additions	-	-	3,990	3,990
At 30 December 2014	<u>62,605</u>	<u>25,340</u>	<u>702,645</u>	<u>790,590</u>
Depreciation				
At 1 January 2014	35,131	10,262	626,155	671,548
Charge for the year	<u>8,751</u>	<u>4,832</u>	<u>36,404</u>	<u>49,987</u>
At 30 December 2014	<u>43,882</u>	<u>15,094</u>	<u>662,559</u>	<u>721,535</u>
Net book value				
At 30 December 2014	<u>18,723</u>	<u>10,246</u>	<u>40,086</u>	<u>69,055</u>
At 31 December 2013	<u>27,474</u>	<u>15,078</u>	<u>72,500</u>	<u>115,052</u>

Cullum Capital Ventures Limited
Notes to the financial statements for the period ended 30 December 2014

10 Investments held as fixed assets

	£
Cost	
At 1 January 2014	173,792,683
Additions	<u>(13,522)</u>
At 30 December 2014	<u>173,779,161</u>
Provision for impairment	
At 1 January 2014	(31,854,131)
Charge for period	<u>(97,799)</u>
At 30 December 2014	<u>(31,951,930)</u>
Net book value	
At 30 December 2014	<u><u>141,827,231</u></u>
At 31 December 2013	<u><u>141,938,552</u></u>

The charge in the period is composed of the impairment of the investment in Suddards Davies & Associates Limited of £591,093 and write back of deferred consideration no longer payable of £493,294.

Details of undertakings

A full list of the subsidiary undertakings in which the Company holds any class of share capital 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
Fenton Insurance Solutions Ltd	England and Wales	Ordinary	100%	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

Cullum Capital Ventures Limited
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Dawson Pennington & Company Ltd	England and Wales	Ordinary	100%	Holding company
Four Counties Insurance Brokers Ltd#	England and Wales	Ordinary	100%	Insurance broking
Four Counties Finance Ltd	England and Wales	Ordinary	100%	Holding company
B.I.B (Darlington) Acquisitions Ltd	England and Wales	Ordinary	100%	Holding company
B.I.B (Darlington) Ltd*	England and Wales	Ordinary	100%	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
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	100%	Holding company
Antur Insurance Services Ltd	England and Wales	Ordinary	80%	Insurance broking
Moffat & Co. Limited	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
Morgan Brokers Holdings Limited	England and Wales	Ordinary	100%	Holding company
Waveney Insurance Brokers Ltd	England and Wales	Ordinary	92.39%	Holding company
Waveney Group Schemes Ltd#	England and Wales	Ordinary	92.39%	Insurance broking

Cullum Capital Ventures Limited
Notes to the financial statements for the period ended 30 December 2014

11 Debtors

	30 December 2014	31 December 2013
	£	£
Amounts owed by group undertakings	72,176,210	29,250,905
Other debtors	3,182,415	9,048,402
Deferred tax	14,201	121,462
Prepayments and accrued income	320,165	127,966
	<u>75,692,991</u>	<u>38,548,735</u>

Deferred tax

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

	Deferred tax
	£
At 1 January 2014	121,462
Charged to the profit and loss account	<u>(107,261)</u>
At 30 December 2014	<u>14,201</u>

Analysis of deferred tax

	30 December 2014	31 December 2013
	£	£
Difference between accumulated depreciation and amortisation and capital allowances	10,531	47,855
Other timing differences	3,670	73,607
	<u>14,201</u>	<u>121,462</u>

12 Creditors: Amounts falling due within one year

	30 December 2014	31 December 2013
	£	£
Amounts owed to Group undertakings	126,204,048	80,526,933
Other taxes and social security	-	92,287
Other creditors	6,535	20,522
Accruals and deferred income	25,778	302,003
Deferred consideration payable	4,384,094	4,171,818
	<u>130,620,455</u>	<u>85,113,563</u>

Cullum Capital Ventures Limited
Notes to the financial statements for the period ended 30 December 2014

Within creditors, amounts owed to group undertakings, is an amount of £13,365,560 which relates to an intra group loan agreement between the Company and its subsidiaries; CCV Risk Solutions Ltd, Fenton Insurance Solutions Ltd, Arthur Marsh & Sons Ltd and Berkeley Alexander Ltd. The Company is entitled to demand repayment from its subsidiaries upon written notice.

13 Creditors: Amounts falling due after more than one year

	30 December 2014	31 December 2013
	£	£
Deferred consideration	<u>1,075,587</u>	<u>7,175,809</u>

14 Provisions

	Other provision
	£
At 1 January 2014	51,901
Credited to the profit and loss account	<u>(51,901)</u>
At 30 December 2014	<u>-</u>

15 Share capital

Allotted, called up and fully paid shares

	30 December 2014	31 December 2013
	No. £	No. £
Ordinary Shares of £1 each	<u>1,025,312</u> <u>1,025,312</u>	<u>1,025,312</u> <u>1,025,312</u>

16 Reserves

	Share premium account	Profit and loss account	Total
	£	£	£
At 1 January 2014	39,781,635	49,898,070	89,679,705
Loss for the period	<u>-</u>	<u>(4,598,951)</u>	<u>(4,598,951)</u>
At 30 December 2014	<u>39,781,635</u>	<u>45,299,119</u>	<u>85,080,754</u>

Cullum Capital Ventures Limited
Notes to the financial statements for the period ended 30 December 2014

17 Pension schemes

Defined contribution pension scheme

Towergate Insurance Limited and the Company operate a defined contribution pension scheme. The pension cost charge for the period represents contributions payable by the Company to the scheme and amounted to £49,976 (2013 - £89,224).

Cullum Capital Ventures Limited
Notes to the financial statements for the period ended 30 December 2014

18 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
TL Risk Solutions Limited	Managing Agents Reference Assistance Services Limited

Cullum Capital Ventures Limited

Notes to the financial statements for the period ended 30 December 2014

As part of the restructuring on 2 April 2015, as discussed in note 1, the obligations of TIG FinCo plc under the Floating Rate Senior Secured Notes, the 8.75% Senior Secured Notes and the Floating Rate Super Senior Secured are guaranteed by Towergate MidCo Limited, the immediate parent company of Towergate FinCo plc and all its material and certain other subsidiaries.

These companies are listed below:

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

19 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.

Cullum Capital Ventures Limited
Notes to the financial statements for the period ended 30 December 2014

20 Post balance sheet events

On 2 April 2015 the Group completed a financial restructuring in relation to the senior secured creditors and senior unsecured creditors of Towergate Finance plc, a former intermediate parent company. As part of these arrangements TIG Finco plc (a newly formed holding company) acquired the Group for consideration of £735.0m made up of the issue of £425.0m of Senior Secured Notes by TIG Finco plc and the issue of new shares in TIG Finco plc's indirect parent company, TIG Topco Limited, valued at £310.0m. The impact on the Group of this restructuring is to change the debt being guaranteed by this Group.

As a result of these arrangements, in April 2015 funds controlled or managed by Highbridge Principal Strategies LLC became the Group's majority shareholder.

As part of the financial restructuring, additional capital of £122.0m was received by the Group through the issue by TIG Topco Limited of new shares for £50.0m and the issue by TIG Finco plc of £75.0m of Super Senior Secured Notes at a discount of £3.0m. The additional funds, which have been passed to the Group through a loan arrangement, provide liquidity to the Group and have enabled it to fund the restructuring costs of £42.0m, the vesting of long term incentive plans which have crystallised (or will in the future crystallise as a result of the restructuring) of £30.0m, retention bonuses of £8.0m and minority interest buy outs of £2.0m.

21 Control

At the balance sheet date the ultimate parent company of the Company was Towergate PartnershipCo Limited. As part of the restructuring on 2 April 2015, as discussed in the accounting policies, the ultimate holding company of the Group is now Sentry Holdings Limited and the parent company of the largest Group in which the results of the Company will be consolidated is TIG TopCo Limited.

At 31 December 2014 the parent company of the largest Group in which the results of the Company were consolidated was Towergate Insurance Limited.

These consolidated financial statements are available upon request from:

Towergate House
Eclipse Park
Sittingbourne Road
Maidstone
Kent
ME14 3EN