

Company Number: SC 246391

GILES HOLDINGS LIMITED

Directors' Report and Financial Statements

For the year ended 31 August 2012

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GILES HOLDINGS LIMITED

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2012**

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GILES HOLDINGS LIMITED

OFFICERS AND PROFESSIONAL ADVISERS FOR THE YEAR ENDED 31 AUGUST 2012

DIRECTORS

C Giles
A Hesseff
P Matson
B McManus

COMPANY SECRETARY

A Hesseff

REGISTERED OFFICE

Spectrum Building
7th Floor
55 Blythwood Street
Glasgow
G2 7AT

BANKERS

Lloyds TSB Bank plc
25 Gresham Street
London
EC2V 7HN

SOLICITORS

Dickson Minto
Royal London House
22 – 25 Finsbury Square
London
EC2A 1DX

INDEPENDENT AUDITORS

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
141 Bothwell Street
Glasgow
G2 7EQ

GILES HOLDINGS LIMITED

COMPANY REGISTRATION NUMBER: SC246391

DIRECTORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2012

The directors present their report and the audited financial statements of the company for the year ended 31 August 2012.

REVIEW OF ACTIVITIES

The principal activity of the company during the year was that of an intermediate holding company.

RESULTS AND DIVIDENDS

The result for the year and the company's financial position at the end of the year are shown in the profit and loss account and balance sheet on pages 7 and 8 respectively.

The directors of Expectrum Limited manage the group's (being Expectrum Limited and subsidiary companies) performance on a group basis. For this reason, the company's directors believe that analysis using key performance indicators (KPI's) for the company is not necessary or appropriate for an understanding of the development, performance or position of the business of the company. The development, performance and position of the group, which includes the company, is discussed in the group's 2012 directors' report on page 2, which does not form part of this report.

The operating loss for the year was £nil (2011: £282,000). Interest payable of £117,000 was charged in the year, being interest payable to subsidiary undertakings arising from cash transfers. The retained loss for the year was £117,000 (2011: £2,349,000 profit)

The group is undertaking a corporate simplification exercise and as a result of this exercise the following non-trading subsidiary companies were dissolved during the year: BJK Insurance Brokers Limited, Elliott Garden Limited, Shephard Herriott Limited, NG Insurance Services Limited, SBP Group Limited, Spencer Moray Limited, Simon Brooke & Partners Limited, Arnott Marine (Holdings) Limited and Arnott Marine Limited.

No dividends were paid or proposed during the year (2011: nil).

FUTURE DEVELOPMENTS

The company will continue to act as an intermediate holding company in the group.

POST BALANCE SHEET EVENTS

As a result of a corporate simplification exercise the non-trading subsidiary company set out in note 16 was in the process of being dissolved at the date of signing these financial statements.

CHARITABLE AND POLITICAL DONATIONS

No charitable or political donations were made during the year (2011: nil).

PRINCIPAL RISKS AND UNCERTAINTIES

From the perspective of the company, the principal risks and uncertainties are integrated in the principal risks of the group and are not managed separately. Accordingly, the principal risks and uncertainties of Expectrum Limited, which includes those of the company, are discussed on page 3 of the group's annual report which does not form part of this report.

GILES HOLDINGS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2012 (CONTINUED)

GOING CONCERN

The group has access to considerable financial resources through bank funding available to be drawn down. In addition, as part of the group's banking facility, there are cross guarantees in place between this company and its fellow subsidiaries to provide each other with financial support should it be required. As a consequence, the directors believe the group is well placed to manage its business risks successfully despite the current economic outlook.

The company and group's forecasts and projections, taking account of reasonably possible changes in trading performance, show that the company and group should have adequate resources to continue in operational existence for at least the 12 months after the signing of these financial statements. Accordingly, the directors continue to adopt the going concern basis in preparing the financial statements.

DIRECTORS

The directors who served the company during the year and up to the date of signing the financial statements subsequently are as follows:

C Giles
A Hessett
P Matson
B McManus (appointed 20 April 2012)

DIRECTORS' INDEMNITY PROVISIONS

The directors have benefitted from third party indemnity provisions in place during the financial year and to the date of this report.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared 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 then 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;
- 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.

GILES HOLDINGS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2012 (CONTINUED)

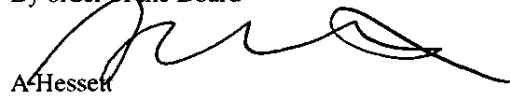
DISCLOSURE OF INFORMATION TO AUDITORS

The directors at the date of approval of this report confirm that:

- so far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware; and
- the directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of the Companies Act 2006.

By order of the Board



A. Hessel
Company Secretary

19th December 2012

GILES HOLDINGS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF GILES HOLDINGS LIMITED

We have audited the financial statements of Giles Holdings Limited for the year ended 31 August 2012 which comprise the profit and loss account, the balance sheet and the related notes. 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).

Respective responsibilities of directors and auditors

As explained more fully in the statement of Directors' Responsibilities set out on page 3 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 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.

Scope of the audit of the financial statements

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. In addition, we read all the financial and non-financial information in the directors' report and financial statements to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on 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 August 2012 and of its loss for the year 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.

Opinion on other matter prescribed by the Companies Act 2006

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

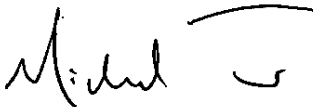
GILES HOLDINGS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF GILES HOLDINGS LIMITED (CONTINUED)

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.



Michael Timar (Senior Statutory Auditor)
For and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Glasgow

20th December 2012

GILES HOLDINGS LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 AUGUST 2012

| | Note | 2012 £'000 | 2011 £'000 |
|---|------|---------------|---------------|
| Other operating charges | | - | (282) |
| OPERATING PROFIT/(LOSS) | | - | (282) |
| Interest payable and similar charges | | (117) | - |
| Income from shares in group undertakings | 4 | - | 2,631 |
| (LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION | | (117) | 2,349 |
| Tax on profit on ordinary activities | 5 | - | - |
| (LOSS)/PROFIT FOR THE FINANCIAL YEAR | | (117) | 2,349 |

All of the activities of the company are classed as continuing.

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

There are no recognised gains and losses for the current financial year other than as stated in the profit and loss account. Accordingly, no statement of total recognised gains and losses has been presented.

GILES HOLDINGS LIMITED

BALANCE SHEET AS AT 31 AUGUST 2012

| | Note | 2012 £'000 | 2011 £'000 |
|--|------|---------------|---------------|
| FIXED ASSETS | | | |
| Investments | 6 | 84,749 | 84,749 |
| CREDITORS: amounts falling due within one year | 7 | (77,796) | (75,158) |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | <u>6,953</u> | <u>9,591</u> |
| CREDITORS: amounts falling due after more than one year | 8 | - | (2,521) |
| NET ASSETS | | <u>6,953</u> | <u>7,070</u> |
| CAPITAL AND RESERVES | | | |
| Called up share capital | 9 | 1 | 1 |
| Share premium account | 10 | 5,081 | 5,081 |
| Profit and loss account | 11 | 1,871 | 1,988 |
| TOTAL SHAREHOLDERS' FUNDS | 12 | <u>6,953</u> | <u>7,070</u> |

The financial statements on pages 7 to 15 were approved by the Board of Directors on 19th December 2012.

On behalf of the Board of Directors



P Matson
Director

GILES HOLDINGS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2012

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention, in accordance with the Companies Act 2006 and applicable United Kingdom accounting standards and accounting policies which have been consistently applied.

Going concern

The financial statements have been prepared under the going concern concept as discussed in the directors' report.

Consolidation

The financial statements contain information about Giles Holdings Limited as an individual company and do not contain consolidated financial information as the parent of a group. The company is exempt under section 400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements as it and its subsidiary undertakings are included by full consolidation in the consolidated financial statements of its parent, Expectrum Limited.

Cashflow statement

The company is a wholly owned subsidiary company of a group headed by Expectrum Limited, and is included in the consolidated financial statements of that company, which are publicly available. Consequently, the company has taken advantage of the exemption within FRS1 (revised 1996) "Cash Flow Statements" from preparing a cash flow statement.

Investments in subsidiaries

Investments in subsidiary companies are recorded at cost, being cash consideration paid, expenses and any deferred consideration expected to be payable, less any provision for impairment. Impairment reviews are performed by the directors where there has been an indication of potential impairment.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at the balance sheet date that will result in an obligation to pay more, or a right to pay less tax, in the future. Timing differences are differences between the group's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

A deferred tax asset is regarded as recoverable and therefore recognised only to the extent that, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

2. AUDIT FEES

The total remuneration payable, excluding VAT, to its auditors in respect of the audit of these financial statements is £1,396 (2011: £3,400), and in respect of taxation services is £788 (2011: £1,324). These costs have been borne and paid for by Giles Insurance Brokers Limited, a fellow subsidiary undertaking.

3. DIRECTORS AND EMPLOYEES

Directors' Emoluments

The members of the Board of Directors are listed on page 1 of these financial statements. The directors are remunerated by Giles Insurance Brokers Limited, a subsidiary of Giles Holdings Limited. Details of their emoluments are given in the financial statements of Giles Insurance Brokers Limited. The directors do not consider it practical to allocate the percentage of their remuneration to Giles Holdings Limited.

Employees

No staff, other than the directors, are employed directly by Giles Holdings Limited in either financial year.

GILES HOLDINGS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2012 (CONTINUED)

4. INCOME FROM SHARES IN GROUP UNDERTAKINGS

| | 2012 | 2011 |
|--|--------------|--------------|
| | £'000 | £'000 |
| Dividends received from subsidiary companies | - | 2,631 |

Dividends received from subsidiary companies consists of dividends received from R A Rossborough Limited in the prior year.

5. TAX ON PROFIT ON ORDINARY ACTIVITIES

a) Analysis of charge in the year

| | 2012 | 2011 |
|-------------------|--------------|--------------|
| | £'000 | £'000 |
| UK Corporation | - | - |
| Total current tax | - | - |

b) Factors affecting tax charge

The tax assessed on the profit on ordinary activities before taxation for the year is lower than (2011: lower than) the standard rate of corporation tax applicable to the group of 25.16% (2011: 27.17 %). The differences are explained below:

| | 2012 | 2011 |
|---|--------------|--------------|
| | £'000 | £'000 |
| (Loss)/Profit on ordinary activities before taxation | (117) | 2,349 |
| (Loss)/Profit on ordinary activities multiplied by the standard rate of tax at 25.16% (2011: 27.17 %) | (29) | 638 |
| Effects of: | | |
| Expenses not deductible for tax purposes | (821) | (1,997) |
| Group relief claimed | (850) | 1,359 |
| Total current tax | - | - |

GILES HOLDINGS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2012 (CONTINUED)

5. TAX ON PROFIT ON ORDINARY ACTIVITIES (CONTINUED)

b) Factors affecting tax charge (continued)

There is an unrecognised deferred tax asset at the end of the year of £29,041 (2011: £31,567). This asset is not recognised on the balance sheet due to the availability of losses to shelter the group from corporation tax for the following period.

During the year, a change in the UK corporation tax rate from 26% to 24%, effective from 1 April 2012 was substantively enacted in March 2012. A further reduction to 23%, effective from 1 April 2013 was substantively enacted in July 2012 and the relevant deferred tax balances have been re-measured accordingly.

In addition to the change in rate of corporation tax disclosed above, a number of further changes to the UK Corporation tax system were announced in the March 2012 UK Budget Statement. The main corporation tax rate is to be further reduced to 22%, effective from 1 April 2014. This rate reduction has not been substantively enacted at the balance sheet date and, therefore, is not included in these financial statements.

Had the change in rate to 22% been substantively enacted as at the balance sheet date, there would have been no significant impact on the accounts.

6. INVESTMENTS

| | Investments in subsidiaries £'000 |
|--|--|
| Value | |
| At 1 September 2011 and 31 August 2012 | <u>84,749</u> |

At 31 August 2012 the company held share capital in the following companies:

| Name of company | Country of incorporation | Holding | Proportion of voting rights and shares held | Nature of business |
|--|---------------------------------|-----------------|--|---------------------------|
| Giles Project Risks Limited | Scotland | Ordinary shares | 100% | Non trading |
| R A Rossborough Limited | Jersey | Ordinary shares | 100% | Holding company |
| R A Rossborough (Insurance Brokers) Limited | Jersey | Ordinary shares | 100% | Insurance brokers |
| Rossborough Insurance Services Limited | Jersey | Ordinary shares | 100% | Administrative support |
| Rossborough Insurance Brokers Limited | England | Ordinary shares | 100% | Insurance brokers |
| Rossborough Insurance (IOM) Limited | Isle of Man | Ordinary shares | 100% | Insurance brokers |
| Rossborough Healthcare International Limited | Guernsey | Ordinary shares | 100% | Insurance brokers |
| R A Rossborough (Guernsey) Limited | Guernsey | Ordinary shares | 100% | Insurance brokers |

GILES HOLDINGS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2012 (CONTINUED)

6. INVESTMENTS (CONTINUED)

| Name of company | Country of incorporation | Holding | Proportion of voting rights and shares held | Nature of business |
|--|---------------------------------|-----------------|--|-----------------------------|
| Giles Insurance Brokers Limited | Scotland | Ordinary shares | 49% | Insurance brokers |
| Giles Plus Services Limited* | Scotland | Ordinary shares | 49% | Insurance advisory services |
| Hedges and Rose Insurance Services limited * | England | Ordinary shares | 49% | Non trading |
| Crosbie and Jack Insurance Services Limited* | Scotland | Ordinary shares | 49% | Non trading |
| Robinson Leslie Limited* | England | Ordinary shares | 49% | Non trading |
| Sutton Barnard Limited* | England | Ordinary shares | 49% | Non trading |
| Carrick Neill and Company Limited* | England | Ordinary shares | 49% | Non trading |
| Archibald Reid (Insurance Brokers) Limited* | England | Ordinary shares | 49% | Non trading |
| Dickson Insurance Brokers Limited* | England | Ordinary shares | 49% | Non trading |
| LRG Insurance Services Limited* | England | Ordinary shares | 49% | Non trading |
| JHIB Holdings Limited* | England | Ordinary shares | 49% | Non trading |
| James Hampden Insurance Brokers Limited* | England | Ordinary shares | 49% | Non trading |
| CBG Group plc* | England | Ordinary shares | 100% | Holding company |
| CBG Insurance Brokers Limited* | England | Ordinary shares | 100% | Non trading |
| CBG London Limited* | England | Ordinary shares | 100% | Non trading |
| Exius Limited* | England | Ordinary shares | 100% | Non trading |
| CBG Sports Limited* | England | Ordinary shares | 100% | Non trading |
| CBG Financial Management Limited* | England | Ordinary shares | 100% | Non trading |
| CBG Corporate Director Limited* | England | Ordinary shares | 100% | Non trading |
| Flysure Limited* | England | Ordinary shares | 100% | Non trading |
| Rockbridge Healthcare Limited* | England | Ordinary shares | 100% | Non trading |
| Marcus Hearn & co (Travel & Aviation) Ltd* | England | Ordinary shares | 100% | Non trading |

* = held indirectly through Giles Insurance Brokers Limited, which owns 100% of the share capital of each company.

The directors consider the value of the investments to be supported by their underlying assets.

As part of a corporate simplification exercise one of the above subsidiary companies were in the process of being dissolved at the date of signing these financial statements and further information is given in note 16.

GILES HOLDINGS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2012 (CONTINUED)

7. CREDITORS: amounts falling due within one year

| | 2012 | 2011 |
|------------------------------------|---------------|---------------|
| | £'000 | £'000 |
| Amounts owed to group undertakings | 75,250 | 71,902 |
| Deferred considerations | 2,300 | 1,700 |
| Other acquisition liabilities | 242 | 1,552 |
| Accruals and deferred income | 4 | 4 |
| | <u>77,796</u> | <u>75,158</u> |

Amounts owed to group undertakings are repayable on demand and are on an interest free basis.

The deferred consideration is based on the future trading performance of R A Rossborough Limited and subsidiary companies and the amount payable could range from £nil to £2,300,000. The consideration is payable on the second anniversary of acquisition.

8. CREDITORS: amounts falling due after more than one year

| | 2012 | 2011 |
|-------------------------------|--------------|--------------|
| | £'000 | £'000 |
| Deferred consideration | - | 2,300 |
| Other acquisition liabilities | - | 221 |
| | <u>-</u> | <u>2,521</u> |

9. CALLED UP SHARE CAPITAL

| Authorised share capital: | 2012 | 2011 |
|--|---------------|---------------|
| | £'000 | £'000 |
| 10,000,000 (2011: 10,000,000) ordinary shares of £0.001 each | 10 | 10 |
| | <u>10</u> | <u>10</u> |
| Allotted, called up and fully paid: | 2012 | 2011 |
| | Number | Number |
| | (000s) | (000s) |
| | £'000 | £'000 |
| Ordinary shares of £0.001 (2011: £0.001) each | 1,000 | 1,000 |
| | <u>1</u> | <u>1</u> |

10. SHARE PREMIUM ACCOUNT

| | £'000 |
|--------------------------------------|--------------|
| At 31 August 2011 and 31 August 2012 | <u>5,081</u> |

GILES HOLDINGS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2012 (CONTINUED)

11. PROFIT AND LOSS ACCOUNT

| | 2012 | 2011 |
|--------------------------------------|--------------|--------------|
| | £'000 | £'000 |
| Balance brought forward | 1,988 | (361) |
| Profit/(loss) for the financial year | (117) | 2,349 |
| Balance carried forward | 1,871 | 1,988 |

12. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

| | 2012 | 2011 |
|------------------------------------|--------------|--------------|
| | £'000 | £'000 |
| Opening shareholders' funds | 7,070 | 4,721 |
| Profit for the financial year | (117) | 2,349 |
| Closing shareholders' funds | 6,953 | 7,070 |

13. CONTINGENCIES AND COMMITMENTS

The Group has a £181,005,910 (2011: £181,005,910) Senior Credit Agreement ('the Debt Agreement') with the Bank of Scotland plc to fund the acquisition of the entire share capital of Quillco 226 Limited and its subsidiary companies.

The company has a deed of accession as a guarantor to this agreement and an intercreditor deed whereby the company has agreed certain ranking and priority arrangements relating to the debt and a debenture whereby the company has created a first ranking fixed and floating charge over its assets, property and undertaking and assigned by way of security all their rights, interest, title and benefit in their present and future assets to the Bank of Scotland plc.

The company, together with certain other group subsidiary companies, has an intra-group loan agreement with DMWSL 588 Limited to provide a revolving credit facility of up to £800,000,000. Advances made under the terms of this agreement are subject to interest at a rate of 2% above base and are subject to the terms of the intercreditor deed as described above.

The company also has a share pledge to be granted by the company in favour of the Bank of Scotland plc in its capacity as security agent pursuant to which the company would pledge and assign to the security agent its whole right, title and interest and to all the shares held by the company in Giles Insurance Brokers Limited.

In respect of this share pledge, Quillco 227 Limited, the sole shareholder of the company, pledges in favour of the Bank of Scotland plc and transfers to its nominee company, HSDL Nominees Limited, its entire shareholding of the company at 3 March 2008, being 1,000,000 ordinary shares of £0.001 each.

14. PARENT COMPANY AND ULTIMATE HOLDING COMPANY

The company is a direct subsidiary of Quillco 227 Limited. The ultimate holding company is Expectrum Limited, which is incorporated in Great Britain and registered in England and Wales, and is the parent undertaking of the smallest and largest group to consolidate these financial statements. A copy of the consolidated financial statements is available from Expectrum Limited, Birchin Court, 3rd Floor, 20 Birchin Lane, London, EC3V 9DU. The ultimate controlling party is Charterhouse Capital Partners LLP.

GILES HOLDINGS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2012 (CONTINUED)

15. RELATED PARTY TRANSACTIONS

The company has taken advantage of the exemption under paragraph 3(c) from the provisions of FRS 8 "Related Party Disclosures" on the grounds that it is a wholly owned subsidiary of a group headed by Expectrum Limited, whose accounts are publicly available.

16. POST BALANCE SHEET EVENTS

The group is undertaking a corporate simplification exercise and as a result of this exercise Hedges & Rose Insurance Services Limited, a non trading group subsidiary company, was in the process of being dissolved as at the date of signing of these financial statements.