

Registration number: 04772547

Oak Affinity Consultancy Limited

Annual Report and Financial Statements

for the Year Ended 31 December 2016



Oak Affinity Consultancy Limited

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Oak Affinity Consultancy Limited

Company Information

Directors	M S Mugge D C Ross
Company secretary	J A Gregory
Registered office	Paymentshield House Wight Moss Way Southport Merseyside PR8 4HQ
Auditor	KPMG LLP 1 St Peter's Square Manchester M2 3AE

Oak Affinity Consultancy Limited

Strategic Report for the Year Ended 31 December 2016

The directors present their strategic report for the year ended 31 December 2016 for Oak Affinity Consultancy Limited ("the Company"). The strategic report provides a review of the business for the financial year and describes how the directors manage risks. The report outlines the developments and performance of the Company during the financial year, the position at the end of the year and discusses the main trends and factors that could affect the future. The Company is part of the Sentry Holdings Limited Group ("the Group" or "Towergate"). Whilst Sentry Holdings Limited is the ultimate parent company, the directors of its subsidiary KIRS Group Limited (formerly known as TIG Topco Limited) manage the Group's operations on a daily basis.

Principal activities and business review

The principal activity of the Company pre 1 January 2015 was that of the provision of insurance intermediary services. The Company ceased to trade on this date and is now in run-off.

The results for the Company show turnover of £Nil (2015: £Nil) and profit before tax of £Nil (2015: £Nil) for the year. At 31 December 2016 the Company had net assets of £2,136,278 (2015: £2,116,956). The accounting policies note on page 11 sets out the reasons why the directors believe that the preparation of the financial statements on the non-going concern basis is appropriate.

Outlook

The Directors do not expect there to be any changes in the nature of the business in 2017 whilst the Company is still in run-off. It is the directors' intention to ultimately wind up the Company, expected to be in 3 year's time.

Key performance indicators

The directors of KIRS Group Limited manage the Group's operations 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 is discussed in the Group's annual report.

Approved by the Board on 4 July 2017 and signed on its behalf by:



M S Mugge
Director

Oak Affinity Consultancy Limited

Directors' Report for the Year Ended 31 December 2016

The directors present their report and the financial statements for the year ended 31 December 2016.

Directors of the Company

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

M S Mugge

D C Ross (appointed 20 December 2016)

Dividends

The directors do not recommend a final dividend payment to be made in respect of the financial year ended 31 December 2016 (2015: £Nil).

Future developments

Details of future developments can be found in the strategic report within the 'Outlook' section on page 2.

Political donations

The Company has not made any political donations during the year (2015: £Nil).

Going concern

On 1 January 2015, the directors took the decision to cease trading having run-off the underlying books in previous periods. As the directors do not intend to acquire replacement trade, they have not prepared the financial statements on a going concern basis. Further details of this assessment can be found in note 2 to these financial statements. It is the Directors' intention to wind up the Company on completion of the run-off, expected to be 3 years time.

Directors' liabilities

All directors benefit from qualifying third party indemnity provisions, subject to the conditions set out in the Companies Act 2006, in place during the financial year and at the date of this report.

Disclosure of information to the auditor

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 auditor is aware of that information. The directors confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

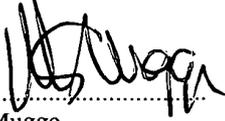
Oak Affinity Consultancy Limited

Directors' Report for the Year Ended 31 December 2016

Reappointment of auditor

The auditors KPMG LLP are deemed to be reappointed under section 487(2) of the Companies Act 2006.

Approved by the Board on 4 July 2017 and signed on its behalf by:



.....
M S Mugge
Director

Paymentshield House
Wight Moss Way
Southport
Merseyside
PR8 4HQ

Oak Affinity Consultancy Limited

Statement of Directors' responsibilities in respect of the Strategic report, the Directors' report and the financial statements

The directors are 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 directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 101 Reduced Disclosure Framework ('FRS 101').

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 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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

As explained in note 2, the directors do not believe that it is appropriate to prepare these financial statements on a going concern basis.

Independent Auditor's Report to the members of Oak Affinity Consultancy Limited

We have audited the financial statements of Oak Affinity Consultancy Limited for the year ended 31 December 2016, set out on pages 8 to 15. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice), including FRS 101 Reduced Disclosure Framework.

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 Directors' Responsibilities Statement 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 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 website 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 2016 and of its profit for the year 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.

Emphasis of matter - non going concern basis of preparation

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosure made in note 2 to the financial statements which explains that the financial statements have not been prepared on the going concern basis for the reasons set out in that note.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the Strategic report and the Directors' report for the financial year is consistent with the financial statements.

Based solely on the work required to be undertaken in the course of the audit of the financial statements and from reading the Strategic report and the Directors' report:

- we have not identified material misstatements in those reports; and
- in our opinion, those reports have been prepared in accordance with the Companies Act 2006.

Independent Auditor's Report to the members of Oak Affinity Consultancy 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.

A Simpson

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Alexander Simpson (Senior Statutory Auditor)
For and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants

1 St Peter's Square
Manchester
M2 3AE

4 July 2017

Oak Affinity Consultancy Limited

Statement of Comprehensive Income for the Year Ended 31 December 2016

	Note	2016 £	2015 £
Turnover		-	-
Operating profit/(loss)	3	-	-
Profit/(loss) before tax		-	-
Income tax credit	6	19,322	-
Total comprehensive profit for the year		<u>19,322</u>	<u>-</u>

The above results were derived from discontinued operations.

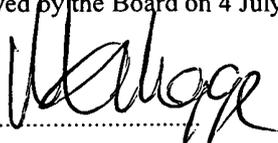
Oak Affinity Consultancy Limited

(Registration number: 04772547)

Statement of Financial Position as at 31 December 2016

	Note	2016 £	2015 £
Assets			
Current assets			
Trade and other receivables	7	<u>2,136,278</u>	<u>2,116,956</u>
Equity			
Called up share capital	8	50	50
Profit and loss account		<u>2,136,228</u>	<u>2,116,906</u>
Total equity and liabilities		<u>2,136,278</u>	<u>2,116,956</u>

Approved by the Board on 4 July 2017 and signed on its behalf by:



M S Mugge

Director

The notes on pages 11 to 15 form an integral part of these financial statements.

Oak Affinity Consultancy Limited

Statement of Changes in Equity for the Year Ended 31 December 2016

	Share capital £	Retained earnings £	Total £
At 1 January 2016	50	2,116,906	2,116,956
Total comprehensive income for the year	-	19,322	19,322
At 31 December 2016	<u>50</u>	<u>2,136,228</u>	<u>2,136,278</u>

	Share capital £	Retained earnings £	Total £
At 1 January 2015	<u>50</u>	<u>2,116,906</u>	<u>2,116,956</u>
At 31 December 2015	<u>50</u>	<u>2,116,906</u>	<u>2,116,956</u>

Oak Affinity Consultancy Limited

Notes to the Financial Statements for the Year Ended 31 December 2016

1 Authorisation of financial statements

The Company is a private company limited by share capital incorporated and domiciled in the United Kingdom.

These financial statements for the year ended 31 December 2016 were authorised for issue by the Board on 4 July 2017 and the statement of financial position was signed on the Board's behalf by M S Mugge.

2 Accounting policies

Basis of preparation

These financial statements were prepared in accordance with FRS 101 Reduced Disclosure Framework.

These financial statements have been prepared on a break up basis due to the Company being in run-off (see Going concern Page 12). The financial statements are presented in GBP sterling (£), which is also the Company's functional currency.

Summary of disclosure exemptions

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the EU ("Adopted IFRSs"), but makes amendments where necessary in order to comply with Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

In these financial statements, the Company has taken advantage of the following disclosure exemptions under FRS 101 where relevant:

- (a) the requirements of IFRS 7 Financial Instruments: Disclosures and of paragraphs 91-99 of IFRS 13 Fair Value Measurement apart from those which are relevant for the financial statements which are held at fair value not held as part of a trading portfolio;
- (b) the requirements in paragraph 10(d) and 111 of IAS 1 Presentation of Financial Statements to prepare a Cash flow statement and the requirements in IAS 7 Statement of Cash Flows regarding the same;
- (c) the requirements in paragraph 10(f), 39(c) and 134-136 of IAS 1 Presentation of Financial Statements, which includes the need to provide details on capital management;
- (d) the requirements of paragraphs 30 and 31 in IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors regarding disclosure of new IFRS standards not yet effective at the reporting date and their potential impact;
- (e) the requirements in paragraphs 17 and 18A of IAS 24 Related Party Disclosures around the need to disclose information on key management personnel and details on related party transactions entered into between two or more members of a group, provided that any subsidiary which is party to the transaction is wholly owned by such a member.

Equivalent disclosures are included in the Group's consolidated financial statements as required by FRS 101 where exemptions have been applied.

Oak Affinity Consultancy Limited

Notes to the Financial Statements for the Year Ended 31 December 2016

2 Accounting policies (continued)

Going concern

In 2015, the directors took the decision to cease trading. It is the directors' intention to wind-up the Company when the run-off is complete in approximately 3 years' time, and for this reason, the financial statements of the Company have been prepared on a non-going concern basis. No adjustments were necessary to the amount at which the net assets are included in the financial statements.

Tax

The tax credit for the period comprises current corporation tax. 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.

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.

Financial assets

Financial assets are initially measured at fair value plus directly attributable transaction costs. The Company's financial assets include trade and other receivables. The subsequent measurement of financial assets depends on their classification.

Trade receivables are recognised initially at fair value and subsequently at amortised cost, less provision for impairment. A provision for impairment of trade receivables is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, dispute, default or delinquency in payments are considered indicators that the receivable is impaired. The carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in the statement of comprehensive income. When a trade receivable is uncollectable, it is written off against the allowance account for trade receivables.

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.

Changes in accounting policy

None of the standards, interpretations and amendments effective for the first time from 1 January 2016 have had a material effect on the financial statements.

Oak Affinity Consultancy Limited

Notes to the Financial Statements for the Year Ended 31 December 2016

3 Operating profit

Amounts receivable by the Company's auditor in respect of services to the Company, 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 ultimate parent, Sentry Holdings Limited.

The audit fees were paid by a fellow group subsidiary company which made no recharge to the Company.

4 Staff costs

The Company had no employees in the current year or the preceding year. All administration is performed by employees of the Group and no recharge has been made to the Company.

5 Directors' remuneration

The emoluments of all directors are paid by other Group companies, which make no recharge to the Company. These directors are directors of KIRS Group Limited and 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 consolidated financial statements of KIRS Group Limited.

Oak Affinity Consultancy Limited

Notes to the Financial Statements for the Year Ended 31 December 2016

6 Income tax

Tax credited in the statement of comprehensive income

	2016 £	2015 £
Current taxation		
UK corporation tax adjustment to prior periods	<u>(19,322)</u>	<u>-</u>

The tax on profit before tax for the year is lower than the standard rate of corporation tax in the UK (2015: the same as the standard rate of corporation tax in the UK) of 20% (2015: 20.25%).

The differences are reconciled below:

	2016 £	2015 £
Profit/(loss) before tax	<u>-</u>	<u>-</u>
Corporation tax at standard rate	-	-
Increase (decrease) in current tax from adjustment for prior periods	<u>(19,322)</u>	<u>-</u>
Total tax credit	<u>(19,322)</u>	<u>-</u>

A reduction in the UK corporation tax rate from 21% to 20% (effective from 1 April 2015) was substantively enacted on 2 July 2013. Further reductions to 19% (effective from 1 April 2017) and to 18% (effective 1 April 2020) were substantively enacted on 26 October 2015, and an additional reduction to 17% (effective 1 April 2020) was substantively enacted on 6 September 2016.

7 Trade and other receivables

	2016 £	2015 £
Receivables from related parties	<u>2,136,278</u>	<u>2,116,956</u>

8 Share capital

Allotted, called up and fully paid shares

	No.	2016 £	No.	2015 £
Ordinary Shares of £1 each	<u>50</u>	<u>50</u>	<u>50</u>	<u>50</u>

9 Related party transactions

During the year the Company entered into transactions, in the ordinary course of business, with a number of related parties. The Company has taken the exemption under FRS 101 not to disclose transactions with fellow wholly owned subsidiaries.

Oak Affinity Consultancy Limited

Notes to the Financial Statements for the Year Ended 31 December 2016

10 Ultimate parent company

On 2 April 2015, HPS Investment Partners LLC, formerly known as Highbridge Principal Strategies LLC became the Group's majority shareholder when its investment in Sentry Holdings Limited (incorporated in Jersey, registered office 22 Grenville Street, St Helier, Jersey, JE4 8PX) acquired a direct interest in KIRS Group Limited (incorporated in Jersey, registered office address, 47 Esplanade, St Helier, Jersey, JE1 0BD) and indirect interests in Towergate Insurance Limited and its subsidiaries. At 31 December 2016, the ultimate parent company was Sentry Holdings Limited. Sentry Holdings Limited is the largest group in which the results are consolidated. These financial statement are available upon request from:

Towergate House
Eclipse Park
Sittingbourne Road
Maidstone
Kent
ME14 3EN