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**CHASE TEMPLETON HOLDINGS LIMITED**

**CHASE TEMPLETON HOLDINGS LIMITED  
ANNUAL REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2018**

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COMPANIES HOUSE

**REGISTERED NUMBER: 009099V (Isle of Man)**

**CHASE TEMPLETON HOLDINGS LIMITED**

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FOR THE YEAR ENDED 31 DECEMBER 2018**

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**CHASE TEMPLETON HOLDINGS LIMITED**

**COMPANY INFORMATION  
FOR THE YEAR ENDED 31 DECEMBER 2018**

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**DIRECTORS:**

J Deakin  
A Erotocritou  
I Laws  
D Edmonds

**REGISTERED OFFICE:**

1<sup>ST</sup> Floor Millennium House  
Victoria Road  
Douglas  
Isle of Man  
IM2 4RW

**REGISTERED NUMBER:**

009099V (Isle of Man)

**AUDITORS:**

Deloitte LLP  
1 City Square  
Leeds  
LS1 2AL

## CHASE TEMPLETON HOLDINGS LIMITED

### STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2018

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The directors present their strategic report for the year ended 31 December 2018 for Chase Templeton Holdings 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 Ardonagh Group Limited ("the Group").

#### REVIEW OF BUSINESS

The principal activity of the Company is that of a holding company.

The results for the Company show revenue of £Nil (14-month period ended 31 December 2017: £0.4m) and profit before tax of £25.6m (14-month period ended 31 December 2017: £5.0m loss before tax) for the year ended 31 December 2018. At 31 December 2018 the Company had net assets of £17.0m (31 December 2017: £9.7m net liabilities).

On 24 December 2018 the Company received a £29,131,817 dividend from Chase Templeton Group Limited, which along with the repayment of amounts due from that company (Note 10), was sufficient to repay the loan from Nevada Investments 7 Limited in full.

The going concern note (part of accounting policies) on page 12 sets out the reasons why the directors continue to believe that the preparation of the financial statements on the going concern basis is appropriate.

The Directors believe that further specific key performance indicators are not required in order to understand the performance of the business.

#### FUTURE DEVELOPMENTS

The Company is expected to continue operating in a similar manner during the next financial period.

#### PRINCIPAL RISKS AND UNCERTAINTIES

##### Risk management

Chase Templeton Limited has processes in place for the identification, mitigation and management of risk and this includes those risks relating to its immediate parent Chase Templeton Group Limited and that company's immediate parent Chase Templeton Holdings Limited.

A wide-ranging assessment of business risks has been undertaken by Chase Templeton Limited resulting in the compilation of a risk register. The risk register is subject to discussion at regular Chase Templeton Limited Board meetings and that Company's ongoing risk management ensures there is appropriate reporting from that business which will highlight changes in risk profile to each of the Boards of Chase Templeton Limited, Chase Templeton Group Limited and Chase Templeton Holdings Limited.

The principal risks and their mitigation are as follows:

##### Strategic and commercial risk

There are risks of changes to the competitive and economic environment. This is mitigated by a robust strategy and planning process, regular monitoring of economic and competitive environment and diversification of product lines and channels.

##### Financial risk

There is the risk of adverse impact on business value or earning capacity as well as risk of inadequate cash flow to meet financial obligations. This risk is mitigated by proactive management of the business plan, regular monitoring of cash flows and a focus on debt collection.

##### General Data Protection Regulation

Our computer systems store information about our customers, some of which is sensitive personal data. Database privacy, identity theft and related computer and internet issues are matters of growing public concern and are subject to changes in rules and regulations. Our failure to adhere to or successfully implement processes in response to changing regulatory requirements in this area could result in legal liability or harm to our reputation. We have taken reasonable and appropriate security measures to prevent unauthorised access to information stored in our database and to ensure that our processing of personal data complies with the relevant data protection regulations.

**CHASE TEMPLETON HOLDINGS LIMITED**

**STRATEGIC REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2018**

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**PRINCIPAL RISKS AND UNCERTAINTIES – Continued**

**Future Impact of Brexit**

As a business that operates in the United Kingdom (UK) the Company is affected by economic conditions in the UK and the associated possibility of decline in business and customer confidence. This risk has been exacerbated by the uncertainties surrounding the UK's decision to leave the European Union ("Brexit"). The Brexit decision could lead to the UK leaving the single market for goods and services and the ability of businesses to passport between the UK and other EU states. The direct impact on the Company will not be significant because it doesn't currently conduct business outside the UK.

Approved by the Board and signed on its behalf by;



D Edmonds – Director

25 September 2019

## CHASE TEMPLETON HOLDINGS LIMITED

### REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 DECEMBER 2018

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The directors present their annual report on the affairs of the company, together with the financial statements and auditor's report, for the year-ended 31 December 2018.

Some requirements relating to the directors' report have been included in the strategic report. Where this has occurred, reference has been given in the directors' report to the appropriate section in the strategic report.

#### PRINCIPAL ACTIVITY

The principal activity of the Company in the period under review was that of a holding company.

#### DIVIDENDS

No dividends will be distributed for the period ended 31 December 2018 (14-month period ended 31 December 2017: £Nil).

#### DIRECTORS

The directors who have held office during the period from 1 January 2018 to the date of this report are as follows:

J Deakin

A Erotocritou

I Laws - appointed 23 August 2018

D Edmands - appointed 23 August 2018

#### FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

Details of financial risk management objectives and policies can be found in the strategic report within the "Risk management" section on Page 2.

#### POLITICAL DONATIONS

The Company has not made any political donations during the year (14-month period ended 31 December 2017: £Nil).

#### GOING CONCERN

The Company's business activities, together with the factors likely to affect its future development are described in Note 2. The directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for a twelve-month period commencing from the date of this report. Thus, they continue to adopt the going concern basis of accounting in preparing the financial statements. Further details of this assessment can be found in Note 2 to these financial statements.

#### 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 period 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.

#### REAPPOINTMENT OF AUDITOR

At the Ardonagh Group Limited Board meeting last year KPMG LLP were reappointed as the Group's statutory auditors. During the year, a formal tender process took place, led by the Ardonagh Group Limited Audit Committee.

As a result of this tender process the Audit Committee recommended, and the Ardonagh Group Limited Board approved, the proposed appointment of Deloitte LLP as external auditors for the financial year ending 31 December 2018.

On behalf of the Board;



D Edmands – Director

25 September 2019

## **CHASE TEMPLETON HOLDINGS LIMITED**

### **STATEMENT OF DIRECTORS' RESPONSIBILITIES**

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". 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 year. 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## **INDEPENDENT AUDITOR'S REPORT TO THE DIRECTORS OF CHASE TEMPLETON HOLDINGS LIMITED**

### **Report on the audit of the non-statutory financial statements.**

#### **Opinion**

In our opinion the non-statutory financial statements of Chase Templeton Holdings Limited (the 'company'):  
give a true and fair view of the state of the company's affairs as at 31 December 2018 and of its profit for the year then ended;  
have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and

We have audited the non-statutory financial statements which comprise:

the statement of comprehensive income;  
the statement of financial position;  
the statement of changes in equity;  
the cash flow statement; and  
the related notes 1 to 18.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the non-statutory financial statements section of our report.

We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the non-statutory financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Conclusions relating to going concern**

We are required by ISAs (UK) to report in respect of the following matters where:

the directors' use of the going concern basis of accounting in preparation of the non-statutory financial statements is not appropriate; or  
the directors have not disclosed in the non-statutory financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the non-statutory financial statements are authorised for issue.

We have nothing to report in respect of these matters.

#### **Other information**

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the non-statutory financial statements and our auditor's report thereon. Our opinion on the non-statutory financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the non-statutory financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the non-statutory financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the non-statutory financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in respect of these matters.



## **INDEPENDENT AUDITOR'S REPORT TO THE DIRECTORS OF CHASE TEMPLETON HOLDINGS LIMITED**

### **Responsibilities of directors**

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the non-statutory financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of non-statutory financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the non-statutory financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the non-statutory financial statements**

Our objectives are to obtain reasonable assurance about whether the non-statutory financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these non-statutory financial statements.

A further description of our responsibilities for the audit of the non-statutory financial statements is located on the FRC's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

### **Use of our report**

This report is made solely for the exclusive use of the directors for the purpose of showing the results of management's stewardship of the resources entrusted to it. Our report is not to be used for any other purpose, rectified or referred to in any document, copied or made available (in whole or in part) to any other person without prior express consent. We accept no duty, responsibility or liability to any other party in connection with the report or this engagement.

*M. R. Watson*

Martin Watson ACA (Senior Statutory Auditor)  
Deloitte LLP  
Leeds, United Kingdom  
25 September 2019

**CHASE TEMPLETON HOLDINGS LIMITED**

**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2018**

		For the year ended 31 December 2018	For the period 1 November 2016 to 31 December 2017
	<i>Note</i>	£	£
<b>Continuing operations</b>			
Revenue	3	-	395,779
Administrative expenses		<u>(6,431)</u>	<u>(1,918,315)</u>
<b>Operating loss</b>	5	(6,431)	(1,522,536)
Investment income	12	29,131,817	-
Interest receivable and similar income	6	114,041	-
Interest payable and similar expenses	7	<u>(3,624,934)</u>	<u>(3,513,503)</u>
<b>Profit/(loss) before tax</b>		25,814,493	(5,036,039)
Tax credit	8	<u>1,031,872</u>	-
<b>Profit/(loss) for the financial period</b>		<u>26,846,365</u>	<u>(5,036,039)</u>

There were no items of other comprehensive income in the current year or prior period.

The notes on pages 12 to 20 form an integral part of these financial statements.

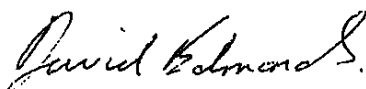
# CHASE TEMPLETON HOLDINGS LIMITED

## STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2018

	Note	As at 31 December 2018 £	As at 31 December 2017 £
<b>Fixed assets</b>			
Investments	9	8,428,342	8,428,342
<b>Current assets</b>			
Debtors	10	1,166,283	19,188,799
Cash at bank and in hand		6,355	8,631
		1,172,638	19,196,430
<b>Creditors</b>			
Amounts falling due within one year	11	(147,767)	(160,768)
<b>Net current assets</b>		1,024,871	19,034,662
Debtors – amounts falling due after more than one year		7,500,000	-
<b>Total assets less current liabilities</b>		16,953,213	27,463,004
<b>Creditors</b>			
Amounts falling due after more than one year	12	-	(37,156,156)
<b>Net assets/(liabilities)</b>		16,953,213	(9,693,152)
<b>Capital and reserves</b>			
Called up share capital	13	215,000	215,000
Retained earnings	14	16,738,213	(9,908,152)
<b>Shareholders' funds/(deficit)</b>		16,953,213	(9,693,152)

The notes on pages 12 to 20 form an integral part of these financial statements.

The financial statements of Chase Templeton Holdings Limited (Registered number 009099V) were approved by the board of directors and authorised for issue on 25 September 2019. They were signed on its behalf by:



D Edmonds – Director

**CHASE TEMPLETON HOLDINGS LIMITED**

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2018**

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 November 2016	200,000	(4,872,113)	(4,672,113)
2017 changes in equity			
Issued share capital	15,000	-	15,000
Loss for the period	-	(5,036,039)	(5,036,039)
Balance at 31 December 2017	215,000	(9,908,152)	(9,693,152)
2018 changes in equity			
Profit for the period	-	26,646,365	26,646,365
Balance at 31 December 2018	215,000	16,738,213	16,953,213

The notes on pages 12 to 20 form an integral part of these financial statements.

**CHASE TEMPLETON HOLDINGS LIMITED**

**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 DECEMBER 2018**

	Note	For the year ended 31 December 2018 £	For the period 1 November 2016 to 31 December 2017 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	15	(4,432)	(1,148,893)
Interest paid		(4,531,748)	(2,806,888)
<b>Net cash from operating activities</b>		<b>(4,536,181)</b>	<b>(3,755,581)</b>
<b>Cash flows from investing activities</b>			
Dividends received from investments		29,131,817	-
<b>Net cash from investing activities</b>		<b>29,131,817</b>	<b>-</b>
<b>Cash flows from financing activities</b>			
New loans in the period		11,651,429	36,249,341
Loan repayments in the period		(36,249,341)	(32,255,476)
Amount withdrawn by directors		-	(200,488)
<b>Net cash from financing activities</b>		<b>(24,597,912)</b>	<b>3,793,397</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>(2,276)</b>	<b>37,816</b>
Cash and cash equivalents at the beginning of the period		8,631	(29,185)
<b>Cash and cash equivalents at the end of the period</b>		<b>6,355</b>	<b>8,631</b>

The notes on pages 12 to 20 form an integral part of these financial statements.

## CHASE TEMPLETON HOLDINGS LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

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#### 1. STATUTORY INFORMATION

Chase Templeton Holdings Limited is a private company, limited by shares, registered in the Isle of Man. The Company's registered number is 009099V and the company's registered office is 1st Floor Millennium House, Victoria Road, Douglas, Isle of Man, IM2 4RW.

#### 2. ACCOUNTING POLICIES

##### **Basis of preparing the financial statements**

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Under Isle of Man legislation, the preparation and filing of consolidated financial statements is not required.

Under FRS 102 the Company meets the definition of a qualifying entity and as such has taken advantage of the exemption from reporting of financial instruments.

The functional currency of Chase Templeton Holdings Limited is considered to be pounds sterling because that is the currency of the primary economic environment in which the company operates.

The comparative financial statements have been prepared for a 14-month period to 31 December 2017, which is in line with the Ardonagh Group Limited's accounting reference date. As such the comparative amounts presented in the financial statements, including the related notes, are not entirely comparable.

##### **Going concern**

The financial statements of the Company have been prepared on a going concern basis. As at 31 December 2018 the Company had net assets of £17.0m (31 December 2017: £9.7m net liabilities). The Company was one of a number of group companies who at 31 December 2018 guaranteed bank and bond debt owed by Ardonagh Midco 3 Plc, an immediate holding company in the Group (Note 16).

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. In reaching their view on the preparation of the Company's financial statements on a going concern basis, the Directors have considered the going concern position of the Company and the Group and its ability to meet its obligations as and when they fall due. This assessment of the group's position included:

- The current capital structure and liquidity of the Group and its base case and stressed cash flow forecasts over the calendar years 2019 and 2020.
- The principal risks facing the Group and its systems of risk management and internal control.

##### **Related party exemption**

The Company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the Group.

##### **Revenue**

Revenue comprises service fees in respect of the Company identifying and arranging external financing for acquisitions made by Chase Templeton Limited.

##### **Cash and cash equivalents**

Cash and cash equivalents include cash in hand, deposits held at call with banks and other short-term liquid investments with original maturities of three months or less.

##### **Tax**

Tax for the period comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred tax assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the statement of financial position date.

## CHASE TEMPLETON HOLDINGS LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

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#### 2. ACCOUNTING POLICIES - Continued

##### **Deferred tax**

Deferred tax is recognised on timing differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible timing differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax for the period is recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax is also recognised in other comprehensive income or directly in equity respectively.

##### **Investments**

Investments in subsidiaries are stated at cost of acquisition, less any provisions for impairment. Investments are assessed for indicators of impairment at each balance sheet date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss in the period in which it occurs.

##### **Financial instruments**

The Company enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties and loans to related parties.

Financial assets that are measured at cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Income statement.

Basic financial liabilities are initially measured at transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled.

##### **Provisions**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the group will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the directors' best estimate of the expenditure required to settle the obligation at the reporting date and are discounted to present value where the effect is material.

##### **Critical accounting judgements and key sources of estimation and uncertainty**

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the statement of financial position date and the amounts reported for revenues and expenses during the period.

##### Critical accounting judgements

Management have not made any critical accounting judgements.

##### Key sources of estimation and uncertainty

**Impairment of assets** - The Company tests annually whether investments and other assets that have indefinite useful lives suffered any impairment. Other assets are reviewed for impairment whether events or changes in circumstances indicate that the carrying amount of the asset exceeds its recoverable amount.

The recoverable amount of an asset or a cash generating unit is determined based on the higher of fair market value less cost to sell and a value in use calculation prepared on the basis of management's assumptions and estimates. This determination requires significant judgment. In making this judgment, the Company evaluates, among other factors, the duration and extent to which fair value of an investment is less than its cost; and the financial health of and near-term business outlook for the investment, including factors such as industry and sector performance, changes in regional economies and operational and financing cash flow. More specific assumptions vary between cash generating units but include the gross commission rate, new net business, expense ratio, discount rate and terminal growth rate.

## CHASE TEMPLETON HOLDINGS LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

#### 3. REVENUE

Revenue comprises service fees in respect of the Company identifying and arranging external financing for acquisitions made by Chase Templeton Limited.

#### 4. EMPLOYEES AND DIRECTORS

During the year the average number of employees was Nil (14 months to 31 December 2017: 2).

	For the year ended 31 December 2018	For the period 1 November 2016 to 31 December 2017
	£	£
Directors' remuneration	-	62,118

The Directors received no remuneration from the company during the year and are remunerated by another company in the Ardonagh Group Limited.

#### 5. OPERATING LOSS

The operating loss for the year ended 31 December 2018 was £6,431 (14-month period ended 31 December 2017: £1,522,536 loss).

#### 6. INTEREST RECEIVABLE AND SIMILAR INCOME

	For the year ended 31 December 2018	For the period 1 November 2016 to 31 December 2017
	£	£
Interest on amounts owed by Group undertakings	114,041	-
	114,041	-

#### 7. INTEREST PAYABLE AND SIMILAR EXPENSE

	For the year ended 31 December 2018	For the period 1 November 2016 to 31 December 2017
	£	£
Bank loan interest	-	685,611
Management loan interest	-	237,616
Other loan interest	-	683,481
Interest on amounts owed to Group undertakings	3,624,934	1,906,815
	3,624,934	3,513,503



# CHASE TEMPLETON HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

### 8. TAX

#### Analysis of the tax credit

	For the year ended 31 December 2018 £	For the period 1 November 2016 to 31 December 2017 £
Current tax		
Group relief receivable	(667,503)	-
Adjustment to tax in respect of previous periods	(364,369)	-
<b>Total current tax</b>	<b>(1,031,872)</b>	<b>-</b>

#### Reconciliation of total tax credit included in profit and loss

The tax assessed for the period is lower than the standard rate of corporation tax in the UK. The difference is explained below:

	For the year ended 31 December 2018 £	For the period 1 November 2016 to 31 December 2017 £
Profit/(loss) before tax	25,614,493	(5,036,039)
Tax calculated at UK corporation tax rate of 19% (2017: 19.35%)	4,866,753	(974,698)
Expenses not deductible for tax purposes	789	45,227
Adjustment to tax charge in respect of previous periods	(364,369)	-
Tax losses surrendered for no payment	-	366,480
Income not taxable for tax purposes	(5,535,045)	562,991
<b>Total tax credit</b>	<b>(1,031,872)</b>	<b>-</b>

The standard rate of tax applied to reported profit is 19% (14 months ended 31 December 2017: 19.35%). The applicable tax rate has changed following the substantive enactment of the Finance Act 2019.

# CHASE TEMPLETON HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

### 9. FIXED ASSET INVESTMENTS

Shares in Group undertakings £

Cost and net book value  
At 31 December 2017 and 31 December 2018 8,428,342

<u>Subsidiaries</u>			
Company name	Country of incorporation	Percentage shareholding	Activity
Chase Templeton Group Limited	Isle of Man	100%	Holding company
Private Medicalcare Limited	England	*100%	Dormant
Preferred Medical Limited	England	*100%	Dormant
Preferred Medical IT Limited	England	*100%	Dormant
Healthcare Quotations (Holdings) Limited	England	*100%	Dormant
Jigsaw Healthcare Limited	England	*100%	Dormant
Benefits for Business Limited	England	*100%	Dormant
Best Health UK Limited	England	*100%	Dormant
Perfect Health Insurance Services Limited	England	*100%	Dormant
Mutual Health Limited	England	*100%	Dormant
Healthcare Quotations Limited	England	*100%	Dormant
Health Assist Limited	England	*100%	Dormant
SJS Healthcare Associates Limited	England	*100%	Dormant
Chartered Life Limited	England	*100%	Dormant
Get Private Individual Limited	England	*100%	Dormant
Simply Assured Limited	England	*100%	Dormant
Health Assured Scotland Limited	England	*100%	Dormant
JVA Healthcare Limited	England	*100%	Dormant
Howill Group Limited	England	*100%	Dormant

\* Denotes indirect holding

The registered office for Chase Templeton Group Limited is Balliargey, Ammal Road, Abbeylands, Isle of Man IM4 5EE.

The registered office for all the Company's subsidiaries listed above incorporated in England is 5 Arkwright Court, Blackburn Interchange, Darwen, Lancashire England BB3 0FG.

### 10. DEBTORS

	As at 31 December 2018 £	As at 31 December 2017 £
Amounts falling due within one year		
Other debtors	-	15,000
Corporation tax	887,503	-
Amounts owed by Group undertakings	<u>498,780</u>	<u>19,171,799</u>
	<u>1,166,283</u>	<u>19,186,799</u>
Amounts falling due after more than one year		
Amounts owed by Group undertakings	<u>7,500,000</u>	-
	<u>7,500,000</u>	-

On 29 June 2018 the Company entered into a new loan agreement with Chase Templeton Limited replacing an existing £8,000,000 loan dated 1 June 2016 with a new loan of £7,500,000, which accrues interest at 3% per annum and has a repayment date of no earlier than 29 June 2020. On 24 December 2018 Chase Templeton Group Limited repaid £9,149,273 of amounts owed to the Company. As at 31 December 2018 Amounts owed by group undertakings falling due within one year are repayable on demand and not interest bearing.

# CHASE TEMPLETON HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

### 11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	As at 31 December 2018 £	As at 31 December 2017 £
Amounts owed to Group undertakings	147,767	147,767
Accrued expenses	-	13,001
	<u>147,767</u>	<u>160,768</u>

Amounts owed to group undertakings are repayable on demand and not interest bearing.

### 12. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	As at 31 December 2018 £	As at 31 December 2017 £
Amounts owed to Group undertakings	-	37,156,156
	<u>-</u>	<u>37,156,156</u>

On 24 December 2018 the Company received a £29,131,817 dividend from Chase Templeton Group Limited, which along with the repayment of amounts due from that company (Note 10), was sufficient to repay the loan from Nevada Investments 7 Limited in full.

### 13. CALLED UP SHARE CAPITAL

	As at 31 December 2018 £	As at 31 December 2017 £
215,000 ordinary shares: £1 nominal value	215,000	215,000
	<u>215,000</u>	<u>215,000</u>

### 14. RESERVES

	Retained earnings £
Balance at 1 November 2016	(4,872,113)
Loss for the period	<u>(5,036,039)</u>
At 31 December 2017	(9,908,152)
Profit for the year	<u>26,646,365</u>
At 31 December 2018	<u>16,738,213</u>

# CHASE TEMPLETON HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

### 15. RECONCILIATION OF PROFIT BEFORE TAX TO CASH GENERATED FROM OPERATIONS

	For the year ended 31 December 2018 £	For the period 1 November 2016 to 31 December 2017 £
Profit/(loss) before tax	25,614,493	(5,036,039)
Interest payable and similar expense	3,624,934	3,513,503
Interest receivable and similar income	(114,041)	-
Investment Income	(29,131,817)	-
Decrease in trade and other debtors	15,000	405,438
Decrease in trade and other creditors	(13,001)	(31,795)
Cash generated from operations	(4,432)	(1,148,893)

### 16. COMMITMENTS

#### Guarantees

On 20 December 2017, Ardonagh Midco 3 plc issued an additional £55.0m of 8.375% Senior Secured Notes which are fungible with the existing GBP Senior Secured Notes issued on 20 June 2017. On the same date the commitments under the RCF were increased to £105.0m.

On 18 June 2018, Ardonagh Midco 3 plc issued an additional £98.3m of 8.375% Senior Secured Notes which are fungible with the existing GBP Senior Secured Notes issued on 20 June 2017 and 20 December 2017.

On 26 September 2018, the Group's RCF was amended and restated to include an additional £50.0m facility made available solely to provide a Letter of Credit ancillary facility for the same amount. On 5 October 2018, a letter of credit of £50.0m was issued for the benefit of specified entities within the Group solely to provide credit support in respect of potential redress liabilities relating to the sale of certain enhanced transfer value products (ETV). While the Letter of Credit ancillary facility remains in place the commitments under the RCF that may actually be utilized are contractually limited to £90.0m excluding the Letter of Credit ancillary facility. Permissible RCF drawings are further limited by the Group's credit facility basket. None of this facility was utilised at 31 December 2018.

On 19 November 2018, Ardonagh Midco 3 plc issued an additional USD235.0m of 8.625% Senior Secured Notes.

## CHASE TEMPLETON HOLDINGS LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

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#### 16. COMMITMENTS – Continued

##### Guarantees – Continued

The obligations of Ardonagh Midco 3 plc under the Notes, RCF, and the subsequently issued additional 8.375% and 8.825% notes, are guaranteed and secured by Ardonagh Midco 2 plc, the immediate parent company of Ardonagh Midco 3 plc, and all its material and certain other subsidiaries. These subsidiaries are listed below:

Nevada Investment Holdings 5 Limited	Paymentshield Group Holdings Limited
Nevada Investment Holdings 6 Limited	Paymentshield Holdings Limited
Nevada Investment Holdings 7 Limited	Paymentshield Limited
Nevada Investments TopCo Limited	Paymentshield Services Limited
Nevada Investments Holdings Limited	Ardonagh Finco Plc
Nevada InvestorCo Limited	Towergate Risk Solutions Limited
Nevada Investments 1 Limited	Towergate Underwriting Group Limited
Nevada Investments 2 Limited	PFIH Limited
Nevada Investments 3 Limited	Price Forbes & Partners Limited
Nevada Investments 4 Limited	Price Forbes Holdings Limited
Nevada Investments 5 Limited	URIS Group Limited
Nevada Investments 6 Limited	Chase Templeton Group Limited
Nevada investments 7 Limited	Chase Templeton Holdings Limited
Arista Insurance Limited	Chase Templeton Limited
Broker Network Holdings Limited	Carole Nash Insurance Consultants Limited
CCV Risk Solutions Limited	KDB Medical Limited
Cullum Capital Ventures Limited	Swinton Group Limited
Four Counties Insurance Brokers Limited	Swinton (Holdings) Limited
Geo Specialty Group Holdings Limited	Swinton Properties Limited
Geo Underwriting Services Limited	Atlanta Investment Holdings Limited
Lunar 101 Limited	Ardonagh Specialty Holdings Limited
Bishopsgate Insurance Brokers Limited	Ardonagh Midco 3 (Guarantor only)
Towergate Insurance Broking Holdings	Ardonagh Midco 2 plc
Atlanta Investment Holdings A Limited	Morgan Law Limited
Millennium Insurance Brokers Limited	URIS Topco Limited (formerly Direct Group Topco Limited)
Ardonagh Services Limited (formerly Towergate Insurance Limited)	Atlanta 1 Insurance Services Limited (formerly Autonet Insurance Services Limited)
URIS Central Administration Limited (formerly Direct Newco Limited)	Health and Protection Solutions Limited (became an additional guarantor on 31 July 2019)

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 or key management personnel.

## **CHASE TEMPLETON HOLDINGS LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018**

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#### **17. ULTIMATE PARENT COMPANY**

*The company's immediate parent company is Nevada Investments 7 Limited a company incorporated in the United Kingdom. The Company's ultimate parent company is The Ardonagh Group Limited, a company incorporated in Jersey, registered office address 47 Esplanade, St. Heller, Jersey, JE1 0BD. The Ardonagh Group Limited is the largest group into which the results are consolidated, and its financial statements are available upon request from Towergate House, Eclipse Park, Sittingbourne Road, Maidstone, Kent, ME14 3EN.*

#### **18. SUBSEQUENT EVENTS**

*In the opinion of the Directors, there are no significant events subsequent to the year-end that are deemed necessary to be adjusted or disclosed in the financial statements.*