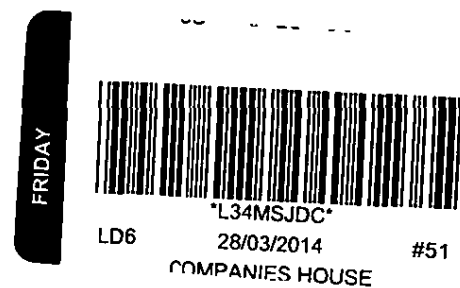


TEP Management Services Limited

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

Year ended 30 June 2013



Company Registration No. 0717607

TEP Management Services Limited

COMPANY INFORMATION

DIRECTORS

K Spiteri
R Ezekiel

REGISTERED OFFICE

TIS House
Spring Villa Park
Edgware
Middlesex HA8 7EG

AUDITOR

Baker Tilly UK Audit LLP
Chartered Accountants
25 Farringdon Street
London EC4A 4AB

BUSINESS ADDRESS

TIS House
Spring Villa Park
Edgware
Middlesex HA8 7EG

BANKERS

Bank of Scotland
London Chief Office
PO Box 54873
London SW1Y 5WX

Sankaty Luxco S a r l
42 Rue de la Vallee
L-2661
Luxembourg

Commonwealth Bank of Australia
Senator House
85 Queen Victoria Street
London EC4V 4HA

Barclays Bank plc
Head Office Branch
One Churchill Place
London E14 5HP

TEP Management Services Limited

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TEP Management Services Limited

DIRECTORS' REPORT

The directors submit their report and the financial statements of TEP Management Services Limited for the year ended 30 June 2013

PRINCIPAL ACTIVITIES

The principal activities of the company during the year continued to be that of the provision of management, consultancy and valuation services

DIRECTORS

The following directors have held office since 1 July 2012

A Iversen (resigned 29 November 2013)

K Spiteri

R Ezekiel (appointed 29 November 2013)

STATEMENT AS TO DISCLOSURE OF INFORMATION TO THE AUDITOR

The directors who were in office on the date of approval of these financial statements have confirmed that, as far as they are aware, there is no relevant audit information of which the auditor is unaware. Each of the directors have confirmed that they 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 it has been communicated to the auditor.

AUDITOR

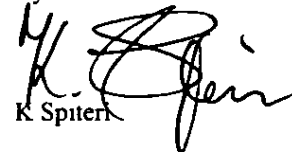
Baker Tilly UK Audit LLP has indicated its willingness to continue in office

A resolution to re-appoint Baker Tilly UK Audit LLP, Chartered Accountants, as auditor will be put to members at the Annual General Meeting

SMALL COMPANIES PROVISIONS

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption

By order of the board



K Spiteri

Director

24 February 2014

TEP Management Services Limited

DIRECTORS' RESPONSIBILITIES IN THE PREPARATION OF FINANCIAL STATEMENTS

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

- a select suitable accounting policies and then apply them consistently,
- b make judgements and estimates that are reasonable and prudent,
- c 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 requirements of 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.

TEP Management Services Limited

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TEP MANAGEMENT SERVICES LIMITED

We have audited the financial statements (the "financial statements") on pages 6 to 11. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

Respective responsibilities of directors and auditor

As more fully explained in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the APB's website at [http://www.frc.org.uk/Our-Work/Codes-Standards/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Scope-of-audit/UK-Private-Sector-Entity-\(issued-1-December-2010\).aspx](http://www.frc.org.uk/Our-Work/Codes-Standards/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Scope-of-audit/UK-Private-Sector-Entity-(issued-1-December-2010).aspx)

Opinion on the financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 30 June 2013 and of the profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

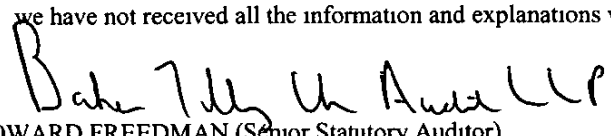
Opinion on other matters prescribed by the Companies Act 2006

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.

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 by the company, 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.


HOWARD FREEDMAN (Senior Statutory Auditor)
For and on behalf of BAKER TILLY UK AUDIT LLP, Statutory Auditor
Chartered Accountants
25 Farringdon Street
London EC4A 4AB

25 February 2014

TEP Management Services Limited
PROFIT AND LOSS ACCOUNT
for the year ended 30 June 2013

	Notes	2013 £	2012 £
TURNOVER	1	1,174,756	1,809,728
Operating expenses		(80,459)	(83,254)
Exceptional cost – bad debt expense		-	(338,684)
OPERATING PROFIT		<u>1,094,297</u>	<u>1,387,790</u>
Interest receivable		308	-
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	2	<u>1,094,605</u>	<u>1,387,790</u>
Taxation	4	82,499	(236,679)
PROFIT FOR THE YEAR	8	<u><u>1,177,104</u></u>	<u><u>1,151,111</u></u>

The operating profit for the year arises from the company's continuing operations

No separate statement of total recognised gains and losses has been presented as all such gains and losses have been dealt with in the profit and loss account

TEP Management Services Limited

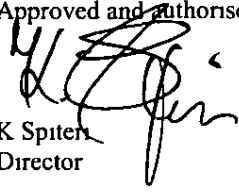
BALANCE SHEET

30 June 2013

Company Registration No. 0717607

	<i>Notes</i>	2013 £	2012 £
CURRENT ASSETS			
Debtors	5	13,649,818	12,544,153
Cash at bank and in hand		14	5,105
		<u>13,649,832</u>	<u>12,549,258</u>
CREDITORS. Amounts falling due within one year	6	(1,930,441)	(2,006,971)
NET CURRENT ASSETS BEING TOTAL ASSETS LESS CURRENT LIABILITIES		<u>11,719,391</u>	<u>10,542,287</u>
CAPITAL AND RESERVES			
Called up share capital	7	100	100
Profit and loss account	8	11,719,291	10,542,187
SHAREHOLDER'S FUNDS	9	<u>11,719,391</u>	<u>10,542,287</u>

Approved and authorised for issue by the board on ~~24~~ February 2014


K Spiteri
Director

TEP Management Services Limited

ACCOUNTING POLICIES

BASIS OF ACCOUNTING

Basis of preparation

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

Under Financial Reporting Standard 1 the company is exempt from the requirement to prepare a cash flow statement on the grounds that a parent undertaking includes the company in its own published consolidated financial statements

Turnover

Turnover represents fees and commissions earned during the year stated net of value added tax

Deferred taxation

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 that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company'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

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis

Going concern basis

The financial statements have been prepared on a going concern basis. TIS Holdings Limited has provided the directors of the company assurance that the company and its subsidiaries will continue to be provided the required ongoing financial support so that the company will be able to meet its liabilities as they fall due

TEP Management Services Limited
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 June 2013

1 TURNOVER

The company's turnover is derived from the company's principal activities wholly undertaken in the United Kingdom

2 PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION **2013** **2012**
£ **£**

Operating profit is stated after charging
Auditor's remuneration

2,520 2,310

3 EMPLOYEES **2013** **2012**
No. **No.**

The average monthly number of persons (including directors)
employed by the company during the year was
Office and management

4 3

2013 **2012**
£ **£**

Staff costs for above persons

Wages and salaries

69,020 71,688

Social security costs

8,835 9,176

77,855 80,864

Director's remuneration is borne by TIS Group Limited, the immediate parent company, as it was in the year ended 30 June 2012

4 TAXATION **2013** **2012**
£ **£**

Based on the result for the period

UK corporation tax at 23.75% (2012: 25.5%)

(48,657) 157,060

Adjustments in respect of previous periods

(33,842) 79,619

Total current tax

(82,499) 236,679

Deferred taxation:

Origination and reversal of timing differences

- -

Taxation payable

(82,499) 236,679

TEP Management Services Limited
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 June 2013

4	TAXATION (continued)	2013 £	2012 £
	Profit on ordinary activities before tax	1,094,605	1,387,790
	Profit on ordinary activities multiplied by standard rate of 23.75% (2012: 25.5%)	259,969	353,887
	Loss carry back claim	(45,313)	-
	Adjustment in respect of previous periods	(33,842)	79,619
	Transfer pricing adjustments	18,401	23,080
	Group relief	(278,370)	(219,924)
	Difference in tax rate	(3,344)	17
	Current tax charge for year	(82,499)	236,679
5	DEBTORS	2013 £	2012 £
	Amounts owed by immediate parent undertaking	13,486,396	12,342,030
	Prepayments and accrued income	114,764	113,206
	Other tax	-	88,917
	Corporation tax	48,658	-
		13,649,818	12,544,153
6	CREDITORS: Amounts falling due within one year	2013 £	2012 £
	Amount owed to ultimate parent undertaking	65,724	65,724
	Amount owed to fellow subsidiary	1,800,929	1,800,929
	Corporation tax	-	138,008
	Other tax and social security	61,268	-
	Accruals and deferred income	2,520	2,310
		1,930,441	2,006,971
7	SHARE CAPITAL	2013 £	2012 £
	Allotted, issued and fully paid: 100 ordinary shares of £1 each	100	100
8	PROFIT AND LOSS ACCOUNT	2013 £	2012 £
	1 July 2012	10,542,187	9,391,076
	Profit for the year	1,177,104	1,151,111
	30 June 2013	11,719,291	10,542,187

TEP Management Services Limited
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 June 2013

9	RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS	2013	2012
		£	£
	Profit for the financial year	1,177,104	1,151,111
	Net movement in shareholders' funds	<u>1,177,104</u>	<u>1,151,111</u>
	Opening shareholders' funds	10,542,287	9,391,176
	Closing shareholders' funds	<u>11,719,391</u>	<u>10,542,287</u>

10 CONTINGENT LIABILITIES

The company has a cross-guarantee with its fellow subsidiary, TIS Acquisitions Limited, over the banking facilities provided by Commonwealth Bank of Australia, which is secured by a debenture over all the assets of the group. The amount of loans outstanding at the year end under this guarantee was £11.8m (2012 £12.9m).

11 ULTIMATE PARENT COMPANY

The immediate parent undertaking is TIS Group Limited, a company incorporated in the United Kingdom. The ultimate parent undertaking is TIS Holdings Limited, a company incorporated in the United Kingdom. Consolidated accounts are prepared for both these entities.

12 RELATED PARTY TRANSACTIONS

The company has taken advantage of the FRS 8 exemption from disclosing transactions with wholly owned members of the group.

During the period ended 30 June 2013 the company received valuation fees of £1,045,155 (2012 £1,649,780) from The Protected Asset TEP Fund Plc and £41,058 (2012 £57,685) from The Protected Capital Growth Fund Plc, companies in which TIS Group Limited and Absolute Assigned Policies Limited (a fellow subsidiary undertaking) owns management shares. At the balance sheet date, £98,871 (2012 £104,000) of valuation fees were accrued in prepayments and accrued income.