

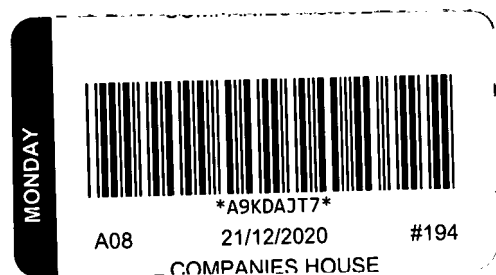
Key Retirement Group Limited

Company number 5591985

Report and Financial Statements

Year Ended

31 December 2019



Key Retirement Group Limited

Annual Report and Financial Statements for the year ended 31 December 2019

Contents

Page:

1	Directors' report
3	Statement of Comprehensive Income
4	Statement of Financial Position
5	Statement of Changes in Equity
6	Notes to the Financial Statements

Directors

Robert Scott
Simon Thompson

Registered office

Baines House
Midgery Court
Fulwood
Preston
PR2 9ZH

Company number

5591985

Key Retirement Group Limited

Directors' report for the year ended 31 December 2019

The Directors present their report together with the financial statements for the year ended 31 December 2019.

Results and dividends

The Statement of Comprehensive Income is set out on page 3 and shows the result for the year. Profit before tax was driven by a dividend received in the year from shares in Group undertakings.

Principal activities

The principal activity of the company was that of a holding company. The company ceased trading on 31 December 2017 and ceased activities on 31 December 2017. The company is now dormant.

Directors' and officers' insurance

The Company's ultimate parent company, Theo Topco Limited, maintains cover with respect to Directors' and officers' indemnity insurance. This insurance covers them in their roles as Directors of this Company.

Directors

The Directors of the Company who served during the year and up to the date of signing the financial statements are:

Robert Scott
Simon Thompson

Going concern

The Board of Directors have determined that it is appropriate to continue to prepare the company financial statements on a going concern basis.

In reaching this conclusion, the Board considered the increased uncertainties that all businesses are facing as a result of the coronavirus pandemic and the impact on the Group of the actions being taken by the UK Government to mitigate the health impact on the country. Specific uncertainties relating to the Group were also assessed including the likelihood of falls in house prices affecting funder appetite for equity release, reductions in customer demand as well as the ability to process customer lifetime mortgages in a timely fashion in the event of further lockdowns.

In considering the Company position, the Board of Directors have also assessed the accessibility of this Company to Group funding if required and no issues were identified.

Employee involvement

The Company has no employees, however the Group maintains a policy of regular consultation and discussion with its employees on a wide range of issues that are likely to affect their interests. The Group ensures that all employees are given regular updates of the performance of their business units and of the Group as a whole. Employee involvement is facilitated through a newsletter, the Staff Committee, regular communication briefings and an annual employee survey.

Key Retirement Group Limited

Statement of Comprehensive Income for the year ended 31 December 2019

	Note	2019 £	2018 £
Income from shares in Group undertakings		19,227,671	-
Dividend Payable	10	(19,229,234)	-
Profit before taxation		(1,563)	-
Tax on result	4	-	-
Loss for the financial year		<u>(1,563)</u>	<u>-</u>

The results stated above are all derived from discontinued operations

There are no items of other comprehensive income in the current or prior year other than those recorded in the Statement of Comprehensive Income.

The notes on pages 6 to 12 are an integral part of these financial statements.

**Notes to the Financial Statements
for the year ended 31 December 2019**

Key Retirement Group Limited

Notes to the Financial Statements for the year ended 31 December 2019 (Continued)

2 Principal accounting policies (continued)

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed by the date of the Statement of Financial Position except for deferred tax assets which are only recognised to the extent that the Company anticipates making sufficient taxable profits in the future to absorb the reversal of the underlying timing differences.

Deferred tax balances are not discounted.

Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when they are paid. Final equity dividends are recognised when approved by the shareholders.

Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

Reserves

The Company's reserves are as follows:

- Called up share capital reserve represents the nominal value of the shares issued.
- Profit and loss account represents cumulative profits or losses, net of dividends paid and other adjustments.

3 Directors' remuneration

No Directors received any remuneration from the Company during the current or prior year.

The emoluments of the directors are paid by the parent company which makes no recharge to the company. The directors are directors of the parent company 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. Accordingly, the above details include no emoluments in respect of the directors. Their total emoluments are included in the aggregate of directors' emoluments disclosed in the financial statements of the parent company.

4 Tax on result

	2019	2018
	£	£
<i>Deferred tax</i>		
Origination and reversal of timing differences	-	-
Tax on loss	-	-

Key Retirement Group Limited

Notes to the Financial Statements
for the year ended 31 December 2019 (Continued)

4 Tax on result (continued):

The tax assessed for the year is the same as (2018: lower) the standard rate of corporation tax in the UK. The differences are explained below:

	2019	2018
	£	£
Profit before tax	19,227,671	-
Tax on loss at the standard rate of corporation tax in the UK of 19.00% (2018:19.00%)	3,653,257	-
Effects of:		
Group Income	(3,653,257)	-
Adjust closing deferred tax to average rate of 19.00%	-	4
Adjust opening deferred tax to average rate of 19.00%	-	(4)
Total tax charge	-	-

5 Investments

	2019	2018
	£	£
Investments in Group undertakings	1	1
	<u>1</u>	<u>1</u>

The subsidiaries of the Company are:

	Country of incorporation	Class of share capital held	Proportion of share capital held	Nature of business
<i>Subsidiary undertakings</i>				
KRS Finance Limited	England & Wales	Ordinary	100%	Holding Company
KRS Group Limited *	England & Wales	Ordinary	100%	Dormant
Key Retirement Solutions Limited *	England & Wales	Ordinary A Ordinary B	100% 100%	Financial Services – mortgage brokers
Key Partnerships Limited *	England & Wales	Ordinary	100%	Dormant
More 2 Life Limited *	England & Wales	Ordinary	100%	Financial Services – mortgage lender

Key Retirement Group Limited

Notes to the Financial Statements for the year ended 31 December 2019 *(Continued)*

5 Investments (continued)

	Country of incorporation	Class of share capital held	Proportion of share capital held	Nature of business
<i>Subsidiary undertakings</i>				
More 2 Life SPV 1 Limited *	England & Wales	Ordinary	100%	Dormant
More 2 Life Asset SPV 2 Limited *	England & Wales	Ordinary	100%	Dormant
KRS Services Limited *	England & Wales	Ordinary	100%	Service Company
Equity Release Assured Limited *	England & Wales	Ordinary	100%	Financial Services – mortgage broker - ceased trading in 2016
Retirement People Limited *	England & Wales	Ordinary	100%	Dormant
Modern Lending Advisers Limited *	England & Wales	Ordinary	100%	Financial Services – mortgage broker
Home Equity Release Service Limited *	England & Wales	Ordinary	100%	Financial Services – mortgage broker
Key Money Limited *	England & Wales	Ordinary	100%	Dormant
Primetime Retirement Group Limited *	England & Wales	A Ordinary	79%	Holding & Service Company
Primetime Retirement Limited *	England & Wales	Ordinary	79%	Financial Services – fixed term annuity provider
Key Move Property Services Limited *	England & Wales	Ordinary	100%	Dissolved 20 February 2018
Key Secured Lending Limited *	England & Wales	Ordinary	100%	Financial Services – secured loan broker - ceased trading in 2016
More 2 Life Retirement Income Limited *	England & Wales	Ordinary	100%	Dormant
The Retirement Lending Advisers Limited *	England & Wales	Ordinary	100%	Financial Services – mortgage broker
Equity Release Club Holdings Limited *	England & Wales	Ordinary	51%	Holding Company

Key Retirement Group Limited

Notes to the Financial Statements for the year ended 31 December 2019 (Continued)

5 Investments (continued)

	Country of incorporation	Class of share capital held	Proportion of share capital held	Nature of business
<i>Subsidiary undertakings</i>				
Answers in Retirement Limited *	England & Wales	Ordinary	51%	Financial Services – mortgage broker
Later Life Guidance Limited *	England & Wales	Ordinary	51%	Financial Services – mortgage broker
Key Later Life Services Limited *	England & Wales	Ordinary	100%	Estate planning company
Key Legal Trustees Limited *	England & Wales	Ordinary	100%	Trust corporation acting as Wills executor
TERE Advisers Limited*	England & Wales	Ordinary	51%	Financial Services – mortgage broker

* Interest in these subsidiaries are held indirectly through other Group companies.

The registered office of all subsidiary undertakings excluding Answers in Retirement Limited and Later Life Guidance Limited is Baines House, Midgery Court, Fulwood, Preston, PR2 9ZH. The registered office of Answers in Retirement Limited and Later Life Guidance Limited is Southgate House, Southgate Street, Gloucester, Gloucestershire, GL1 1UD.

6 Debtors

	2019 £	2018 £
Amounts owed by Group undertakings	14,624,215	9,222,807
	<u>14,624,215</u>	<u>9,222,807</u>

Amounts owed by Group undertakings are unsecured, interest free and are repayable on demand.

7 Creditors: amounts falling due within one year

	2019 £	2018 £
Amounts owed to Group undertakings	14,623,212	9,220,241
	<u>14,623,212</u>	<u>9,220,241</u>

Amounts owed to Group undertakings are unsecured, interest free and are repayable on demand.

Key Retirement Group Limited

Notes to the Financial Statements
for the year ended 31 December 2019 (Continued)

[illegible]

	£
At 1 January 2019	-
Charge for the year	-

At 31 December 2019

<i>Deferred taxation</i>	2019	2018
	£	£

[illegible]

9 Called up share capital

Issued and fully paid

	2019 £	2018 £
100,256 (2018: 100,256) ordinary shares of £0.01 each	1,003	1,003
	<u>1,003</u>	<u>1,003</u>

[illegible][illegible]

11 Post balance sheet events

The Covid-19 pandemic and the government actions to mitigate the spread of the disease are considered to be non-adjusting post balance sheet events, which do not provide more information about the conditions at the balance sheet date. The impact of these events on the Directors considerations around the going concern assumption are discussed in the Directors Report.

Key Retirement Group Limited

Notes to the Financial Statements for the year ended 31 December 2019 *(Continued)*

12 Ultimate parent company

At 31 December 2019 the Company's immediate and ultimate parent company was Key Group Bidco Limited.

Theo Midco Limited is the parent company of the smallest group of which the Company is a member and for which consolidated financial statements are prepared. Copies of the consolidated financial statements can be obtained from Baines House, Midgery Court, Fulwood, Preston, PR2 9ZH.

Theo Topco Limited is the parent of the largest group of which the Company is a member and for which consolidated financial statements are prepared. Copies of the consolidated financial statements can be obtained from Baines House, Midgery Court, Fulwood, Preston, PR2 9ZH.

There is no ultimate controlling party by virtue of a majority shareholding of Theo Topco Limited, although Partners Group have de facto control of the Group due to the constraints imposed on the Group and executive directors through the investment agreement.