Company number 5591985

Report and Financial Statements

Year Ended

31 December 2019



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

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Directors

Robert Scott Simon Thompson

Registered office

Baines House Midgery Court Fulwood Preston PR2 9ZH

Company number

5591985

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.

Directors' report for the year ended 31 December 2019 (continued)

Disabled employees

The Group's equal opportunities policy makes it clear that full and fair consideration must be given to the appointment of disabled people. The Group is committed to a policy of recruitment and promotion on the basis of aptitude and ability without discrimination of any kind. Where an employee becomes disabled whilst employed by the Group the HR procedures require that reasonable effort is made to ensure they have the opportunity for continued employment within the Group. Retraining of employees who become disabled whilst employed by the Group is offered where appropriate to ensure that their career development is not unfairly restricted by their disability or perceptions of it.

Existence of branches of the Company outside of the United Kingdom

The Company has no branches outside of the United Kingdom.

Statement of Directors' responsibilities

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

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", 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 the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; 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 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.

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.

This report has been prepared in accordance with special provisions applicable to companies subject to the small companies' regime within Part 15 of the Companies Act 2006. As such, the Company is exempt from preparing a strategic report.

On behalf of the board

R Scott Director

Date: 21 August 2020

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		<u> </u>
Loss for the financial year		(1,563)	-

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.

Statement of Financial Position as at 31 December 2019

	Note	2019	2019	2018	2018
•		£	£	£	£
Fixed Assets					
Investments	5		1		1
Current Assets					
Debtors	6	14,624,215		9,222,807	
		14,624,215		9,222,807	
Creditors: amounts falling due within one year	7	(14,623,212)		(9,220,241)	
Net current assets	_		1,003		2,566
Net Assets			1,004	•	2,567
Capital And Reserves				-	
Called up share capital	9		1,003		1,003
Profit and loss account			1		1,564
Total Equity			1,004		2,567

For the year ended 31 December 2019, the Company was entitled to exemption from audit under section 480 of the Companies Act 2006 relating to dormant companies.

The members have not required the Company to obtain an audit in accordance with section 476 of the Companies Act 2006.

The Directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

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

The financial statements on pages 3 to 12 were approved by the Board of Directors and authorised for issue on 21 August 2020 and were signed on its behalf by:

R Scott Director

Company registration no: 5591985

Statement of Changes in Equity for the year ended 31 December 2019

	Note	Share capital £	Retained earnings £	Total equity £
Balance at 1 January 2018		1,003	1,564	2,567
Comprehensive income				
Profit and total comprehensive income for the year		-	-	-
Balance at 31 December 2018 and at 1 January 2019	9	1,003	1,564	2,567
Comprehensive income				
Loss and total comprehensive income for the year		-	(1,563)	-
Balance at 31 December 2019	9 -	1,003	1	1,004

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

1 Basis of preparation

Key Retirement Group Limited is a private company limited by shares and is incorporated in the United Kingdom and registered in England & Wales under the Companies Act. The address of the registered office is given on the contents page and the nature of the Company's operations and its principal activities are set out in the strategic report. The financial statements have been prepared in accordance with FRS 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland and the Companies Act 2006. These financial statements are prepared on a going concern basis, under the historical cost convention, as modified by the recognition of certain financial assets and liabilities measured at fair value.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies.

Going concern

After reviewing the Company's forecasts and projections, the Board of Directors have determined that the Company has adequate resources to continue to prepare the Company financial statements on a going concern basis.

2 Principal accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Financial reporting standard 102 - reduced disclosure exemptions

The Company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 102 paragraph 1.12:

- the requirement to prepare a Statement of Cash Flows (paragraph 3.17(d) and section 7);
- disclosures in respect of the Company's financial instruments (paragraphs 11.41(b), 11.41(c), 11.41(d), 11.41(f), 11.42, 11,44, 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c));
- disclosures in respect of the aggregate remuneration of the key management personnel (paragraph 33.7).

This information is included in the consolidated financial statements of Theo Topco Limited as at 31 December 2019 and these financial statements may be obtained from Companies House.

In addition, the Company has taken advantage of the related party transaction disclosure exemption available to it under FRS 102 paragraph 33.1A, not to disclose transactions between the Company and other wholly owned members of the Group headed by Theo Topco Limited.

Consolidated financial statements

The Company is exempt from preparing consolidated financial statements on the grounds that it qualifies under section 400 of the Companies Act 2006 as a wholly owned subsidiary of Theo Topco Limited, a company registered in England and Wales, for which consolidated financial statements are prepared. These financial statements therefore present information about the Company as an individual undertaking and not about its group.

Taxation

The charge for taxation is based on the profit for the year and taking into account taxation deferred.

Current tax is measured at amounts expected to be paid using the tax rates and laws that have been enacted or substantively enacted by the date of the Statement of Financial Position.

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

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
Deferred tax	t	Ľ
Origination and reversal of timing differences	-	
Tax on loss	-	 .

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
	1	1

The subsidiaries of the Company are:

	Country of incorporation	Class of share capital held	Proportion of share capital held	Nature of business
Subsidiary undertakings				
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		Financial Services – mortgage brokers
Key Partnerships Limited *	England & Wales	Ordinary	100%	Dormant
More 2 Life Limited *	England & Wales	Ordinary	100%	Financial Services – mortgage lender

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

5	Investments (continued)	Country of incorporation	Class of share capital	Proportion of share capital	
	Subsidiary undertakings		held	held	Nature of business
	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

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

5	Investments (continued) Subsidiary undertakings	Country of incorporation	Class of share capital held	Proportion of share capital held	Nature of business
	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
	14,624,215	9,222,807

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
	14,623,212	9,220,241

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

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

8	Deferred taxation		£
	At 4 January 2010		-
	At 1 January 2019 Charge for the year		-
	At 31 December 2019		
	Deferred taxation	2019 £	2018 £
	Losses and other deductions	-	-
			-
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
		1,003	1,003

10 Dividends payable

A dividend of £19,229,234 was paid on behalf of shares held by a Group undertaking.

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.

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.