

Registration number: 06090335

Towergate Financial (East) Intermediate Limited

Unaudited Financial Statements

for the Year Ended 31 December 2020



Towergate Financial (East) Intermediate Limited

(Registration number: 06090335)

Statement of Financial Position as at 31 December 2020

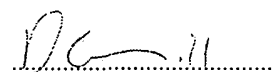
	Note	2020 £	2019 £
Non-current assets			
Investments in subsidiary undertakings	2	-	-
Current liabilities			
Trade and other payables	3	<u>(2,978,120)</u>	<u>(2,978,120)</u>
Net liabilities		<u><u>(2,978,120)</u></u>	<u><u>(2,978,120)</u></u>
Capital and reserves			
Share capital	4	78,697	78,697
Retained losses		<u>(3,056,817)</u>	<u>(3,056,817)</u>
Total equity		<u><u>(2,978,120)</u></u>	<u><u>(2,978,120)</u></u>

For the year ended 31 December 2020, 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 Act with respect to accounting records and the preparation of accounts.

Approved by the Board on 23 July 2021 and signed on its behalf by:



D Cougill
Director

The notes on pages 2 to 4 form an integral part of these financial statements.

Towergate Financial (East) Intermediate Limited

Notes to the Financial Statements for the Year Ended 31 December 2020 (continued)

1 Accounting policies

Going Concern

The financial statements of the Company have been prepared on a basis other than that of a going concern. At 31 December 2020 the Company had net liabilities of £2,978,120 (2019: £2,978,120) and includes amounts due to related parties of £2,978,120 (2019: £2,978,120).

The Company's regulated subsidiary undertaking disposed of their trade and assets on 16 March 2015. It is the directors' intention to wind up the Company once its liabilities have been settled. As a consequence the financial statements have been prepared on a basis other than that of a going concern.

Investments in subsidiary undertakings

A subsidiary is an entity over which the Company has control. The Company controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Investments in subsidiaries are accounted for at cost less, where appropriate, impairment.

Impairment of investments

The carrying amount of the Company's assets are reviewed for impairment when events or changes in circumstances indicate that the carrying amount of the investment may not be recoverable. If any such indication exists, the asset's recoverable amount is estimated.

An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. Impairment losses of £Nil (2019: £Nil) are recognised in the Statement of Comprehensive Income.

Calculation of recoverable amount

An impairment test of an asset is performed by comparing its carrying amount with its recoverable amount. The recoverable amount is the higher of its fair value less costs of disposal and its value in use, where its value in use is the present value of its future cash flows. An impairment test requires the application of significant judgement because it relies on key assumptions, including forecast cash flows, a discount rate, a terminal growth rate and an EBITDA multiple.

Financial liabilities

Financial liabilities are initially measured at fair value plus directly attributable transaction costs. The Company's financial liabilities are trade and other payables.

Trade and other payables represent amounts due to related parties. They are initially recognised at fair value and are subsequently measured at amortised cost.

Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Towergate Financial (East) Intermediate Limited

Notes to the Financial Statements for the Year Ended 31 December 2020 (continued)

2 Investments in subsidiary undertakings

	£
Cost or valuation	
At 1 January 2020	1,394,342
At 31 December 2020	1,394,342
Provision for impairment	
At 1 January 2020	1,394,342
At 31 December 2020	1,394,342
Carrying amount	
At 31 December 2020	-
At 31 December 2019	-

The Company's trading subsidiary, Towergate Financial (East) Limited ceased to trade on 16 March 2015. As a consequence, an impairment review was undertaken and the recoverable amount of shares in this subsidiary have been reduced to £Nil. As such, the investments in subsidiary undertakings were fully impaired at this date.

Details of the subsidiaries as at 31 December 2020 are as follows:

Name of subsidiary	Principal activity	Country of incorporation and principal place of business	Proportion of ownership interest and voting rights held	
			2020	2019
Towergate Financial (East) Limited	Run-off	England	100%	100%
Towergate Financial (East) Limited*	Run-off	England	31.75%	31.75%
M2 Financial Limited	Fees Dormant	England	100%	100%

* indicates preference share holding which carry no voting rights

The registered office address of the above subsidiaries is 2 Minster Court, Mincing Lane, London, EC3R 7PD.

Towergate Financial (East) Intermediate Limited

Notes to the Financial Statements for the Year Ended 31 December 2020 (continued)

3 Trade and other payables

	2020 £	2019 £
Current trade and other payables		
Amounts due to other Group companies	<u>2,978,120</u>	<u>2,978,120</u>

The directors believe that the amounts due to other Group companies are recoverable. These balances are unsecured, interest free and repayable on demand.

4 Share capital

Allotted, called up and fully paid shares

	2020 No.	£	2019 No.	£
Ordinary shares of 1 each	<u>78,697</u>	<u>78,697</u>	<u>78,697</u>	<u>78,697</u>

The Company has one class of ordinary shares which have attached to them full voting, dividend and capital distribution (including on winding up) rights; they do not confer any rights of redemption.

5 Parent and ultimate parent undertaking

The Group's majority shareholder and ultimate controlling party at 31 December 2020 is HPS Investment Partners LLC. The parent company of the largest group that prepares group financial statements at 31 December 2020 that consolidate the Company is The Ardonagh Group Limited (incorporated in Jersey, registered office address 3rd Floor, 44 Esplanade, St Helier, Jersey, JE4 9WG). The parent company of the smallest group that prepares group financial statements at 31 December 2020 that consolidate the Company is Ardonagh Midco 2 plc (incorporated in Great Britain, registered office address 2 Minster Court, Mincing Lane, London, EC3R 7PD). Financial statements for The Ardonagh Group Limited and Ardonagh Midco 2 plc are available on request from:

2 Minster Court
Mincing Lane
London
EC3R 7PD