

Registration number: 06649754

Towergate Financial (North) Holdings Limited

Unaudited Financial Statements

for the Year Ended 31 December 2021



Towergate Financial (North) Holdings Limited

(Registration number: 06649754)

Statement of Financial Position as at 31 December 2021

	Note	2021 £	2020 £
Non-current assets			
Investments in subsidiaries	2	-	-
Current assets			
Trade and other receivables	3	<u>1,343,510</u>	<u>1,343,510</u>
		1,343,510	1,343,510
Current liabilities			
Trade and other payables	4	<u>(5,997,007)</u>	<u>(5,997,007)</u>
Net current liabilities		<u>(4,653,497)</u>	<u>(4,653,497)</u>
Total assets less current liabilities		<u>(4,653,497)</u>	<u>(4,653,497)</u>
Net liabilities		<u>(4,653,497)</u>	<u>(4,653,497)</u>
Capital and reserves			
Share capital	5	998	998
Retained losses		<u>(4,654,495)</u>	<u>(4,654,495)</u>
Total equity		<u>(4,653,497)</u>	<u>(4,653,497)</u>

For the year ended 31 December 2021, 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 22 April 2022 and signed on its behalf by:



D Cougill
Director

Towergate Financial (North) Holdings Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 December 2021

1 Accounting policies

Exemption from preparing group accounts

The Company has taken advantage of the exemption provided by Section 400 of the Companies Act 2006 and has not prepared group accounts.

Going Concern

The financial statements of the Company have been prepared on a basis other than that of a going concern. At 31 December 2021 the Company had net liabilities of £4,653,497 (2020: £4,653,497), including amounts due to related parties of £5,997,007 (2020: £5,997,007) and amounts receivable from related parties of £1,343,416 (2020: £1,343,416).

The financial statements of the Company have been prepared on a basis other than that of a going concern following management decision to wind up the Company. The book value of the Company's assets and liabilities are deemed to be a reasonable approximation of fair value. No adjustments were necessary to the amount at which the net liabilities are included in the financial statements.

Investments in subsidiaries

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.

Investments in subsidiaries are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of the asset may exceed its recoverable amount.

An impairment test is performed by comparing the investment's 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 (VIU), where its VIU 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 assets

Financial assets are initially measured at fair value plus directly attributable transaction costs. The Company's financial assets include trade and other receivables. The Company assesses, on a forward-looking basis, the expected credit losses (ECL) associated with its financial assets carried at amortised cost. The Company recognises a loss allowance for such losses at each reporting date.

Trade and other receivables represent amounts due from related parties and other receivables. They are initially recognised at fair value and are subsequently measured at amortised cost, adjusted for any loss allowances.

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.

Towergate Financial (North) Holdings Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 December 2021 (continued)

1 Accounting policies (continued)

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.

2 Investments in subsidiaries

	£
Cost or valuation	
At 1 January 2021	<u>7,765,274</u>
At 31 December 2021	<u>7,765,274</u>
Provision for impairment	
At 1 January 2021	<u>7,765,274</u>
At 31 December 2021	<u>7,765,274</u>
Carrying amount	
At 31 December 2021	<u>-</u>
At 31 December 2020	<u>-</u>

The Company's subsidiary, Towergate Financial (North) Limited ceased to trade on 16 March 2015. As a consequence, an impairment review was undertaken and the recoverable amount of investment in subsidiaries was reduced to £Nil in the period ended 30 June 2015.

Details of the subsidiaries as at 31 December 2021 are as follows:

Name of subsidiary	Principal activity	Country of incorporation and principal place of business	Proportion of ownership interest and voting rights held	
			2021	2020
Towergate Financial (North) Limited	Run-off	England	100%	100%
Towergate Financial (Huddersfield) Intermediate Limited	Dormant	England	100%	100%

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

Towergate Financial (North) Holdings Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 December 2021 (continued)

3 Trade and other receivables

	2021 £	2020 £
Amounts due from other Group companies	1,343,416	1,343,416
Other receivables	94	94
	<u>1,343,510</u>	<u>1,343,510</u>

The directors believe that the intercompany receivables are recoverable. The balances are unsecured, interest free and repayable on demand.

4 Trade and other payables

	2021 £	2020 £
Amounts due to other Group companies	<u>5,997,007</u>	<u>5,997,007</u>

Amounts due to other Group companies are unsecured, interest free and payable on demand.

5 Share capital

Allotted, called up and fully paid shares

	No.	2021 £	No.	2020 £
'A' Ordinary Shares of £0.01 each	90,000	900	90,000	900
'B' Ordinary Shares of £0.01 each	8,000	80	8,000	80
'C' Ordinary Shares of £0.01 each	1,800	18	1,800	18
	<u>99,800</u>	<u>998</u>	<u>99,800</u>	<u>998</u>

The 'A' Ordinary Shares have full voting rights, dividend rights and the right to participate in a distribution whether in a winding-up or reduction of capital or otherwise.

The 'B' Ordinary Shares and 'C' Ordinary Shares do not have any voting rights nor any dividend rights. The 'B' Ordinary Shares and 'C' Ordinary Shares have the right to participate in a distribution whether in a winding-up or reduction of capital or otherwise.

Towergate Financial (North) Holdings Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 December 2021 (continued)

6 Parent and ultimate parent undertaking

The immediate parent company is Towergate Financial (Group) Limited.

The Group's majority shareholder and ultimate controlling party at 31 December 2021 is HPS Investment Partners LLC. The parent company of the largest group that prepares group financial statements at 31 December 2021 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 2021 that consolidate the Company is Ardonagh Midco 2 plc (Incorporated in Great Britain, registered office address 2 Minster Court, Mincing Lane, London, United Kingdom, 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