

Registration number: 07004252

Towergate Financial (London) Limited

Annual Report and Financial Statements

for the Year Ended 31 December 2019



Towergate Financial (London) Limited

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Towergate Financial (London) Limited

Company Information

Directors	D C Ross D Cougill
Company secretary	D Clarke
Registered office	2 Minster Court Mincing Lane London EC3R 7PD United Kingdom
Auditor	Deloitte LLP 1 New Street Square London EC4A 3HQ United Kingdom

Towergate Financial (London) Limited

Strategic Report for the Year Ended 31 December 2019

The directors present their Strategic Report for the year ended 31 December 2019 for Towergate Financial (London) Limited ("the Company"). The Strategic Report provides a review of the business for the financial year and describes how the directors manage risks. The report outlines the developments and performance of the Company during the financial year, the position at the end of the year and discusses the main trends and factors that could affect the future. The Company is part of The Ardonagh Group Limited ("the Group").

Principal activity and business review

On 16th March 2015, all of the trading assets of the Company were sold and the Company ceased to trade and has been in run-off from this date.

The results for the Company show turnover of £257 (2018: £123) and profit before tax of £257 (2018: £123) for the year. At 31 December 2019 the Company had net liabilities of £422,741 (2018: £422,949).

The going concern note (part of accounting policies) on page 14 sets out the reasons why the directors believe that the preparation of the financial statements on a basis other than going concern is appropriate.

Outlook

The business operations are in run-off in an orderly manner and any remaining obligations will continue to be settled. It is the directors' intention to wind-up the Company, once the run-off process has completed.

The unprecedented and rapidly evolving nature of the global Covid-19 pandemic (including short-term and long term effects thereof) creates unprecedented and extraordinary uncertainties for most businesses including Towergate Financial (London) Limited. Consideration of the financial risk and future impact can be found in the 'Going concern' disclosure in note 2.

Key performance indicators

The directors consider the key performance indicator for the Company is ensuring its remaining liabilities are settled fairly and expeditiously. The Company sets performance targets for the year ahead and the directors monitor progress, recognising that the Company is dependent upon the continued financial support of Ardonagh Services Limited ("ASL").

Principal risks and uncertainties

Risk management

The principal risk facing the Company is ensuring timely settlement of its and its direct and indirect subsidiaries' liabilities, which Towergate Financial (Group) Limited oversees as part of its position as an intermediate holding company in the wider Group. The directors believe that the Company and its regulated subsidiary have access to financial support to meet projected financial obligations over the coming year. This is based upon cash flow projections over a period of twelve months from the date of approval of the Financial Statements and Ardonagh Services Limited's present intention to provide ongoing financial support, although the provision of such support is not a legally binding commitment.

Towergate Financial (London) Limited

Strategic Report for the Year Ended 31 December 2019

Risk management (continued)

Impact of Covid-19

The Company and Group have considered the consequences and ramifications of the Covid-19 pandemic. Business Continuity Plans are in place across each of the operating segments, with measures to manage employee absences, access to the wider network of all offices, the efficiency and stability of the Company's infrastructure and the ability for home working for a significant portion of our employee base. Leadership teams and working groups led by senior managers are in place to support operational resilience and taking common-sense precautions with a view to ensuring the wellbeing of colleagues. We continue to review this approach on a daily basis in line with latest global developments and government guidance. Insurance broking is a resilient and defensive market, which has historically had limited impact from past economic or capital market downturns. As a Group, Ardonagh is highly diversified and not materially exposed to a single carrier, customer or market sector.

The Company and Group have sufficient liquidity to withstand a period of potential poor trading resulting from a sustained impact of Covid-19 and closely monitors available liquidity on an ongoing basis.

General data protection regulation

The Company's computer systems store information about its customers, some of which is sensitive personal data. Database privacy, identity theft and related computer and internet issues are matters of growing public concern and are subject to changes in rules and regulations. Our failure to adhere to or successfully implement processes in response to changing regulatory requirements in this area could result in legal liability or harm to our reputation. Although the Company has taken reasonable and appropriate security measures to prevent unauthorised access to information stored in our database and to ensure that our processing of personal data complies with the relevant data protection regulations, our technology may fail to adequately secure the private information we maintain in our databases and protect it from theft or inadvertent loss.

Future impact of Brexit

The Brexit decision may affect the ability of businesses to passport from the UK into other EU states and likewise into the UK from the EU. Following the 2019 general election, the Prime Minister has been clear that he is driven to deliver Brexit with a transition period ending on 31 December 2020. We continue to believe that the direct impact on the Group will not be significant because it conducts only limited business within the EU and, importantly, because several additional mitigation strategies have been put in place during 2019 (i.e. gaining direct authorisation in certain EU member states) to reduce the risk. However, the loss of passporting rights may affect the insurance markets in which the Group operates, possibly reducing insurance capacity, competition and choice.

Brexit could also lead to a general decline in economic conditions in the UK where the Group operates predominantly. The diversified business portfolio of the Group continues to mitigate the risk of a general decline in economic conditions.

Approved by the board on 25.09.2020 and signed on its behalf by:



D Cougill
Director

Towergate Financial (London) Limited

Directors' Report for the Year Ended 31 December 2019

The directors present their annual report and the audited financial statements for the year ended 31 December 2019.

Directors of the Company

The directors, who held office during the year and up to the date of signing, were as follows:

D C Ross

A Erotocritou (resigned 1 August 2019)

D Cougill (appointed 1 August 2019)

Dividends

The directors do not recommend a final dividend payment to be made in respect of the financial year ended 31 December 2019 (2018: £Nil).

Financial risk management objectives and policies

Details of financial risk management objectives and policies can be found in the Strategic Report within the 'Risk Management' section on page 2.

Future developments

Details of future developments can be found in the Strategic Report within the 'Outlook' section on page 2.

Political donations

The Company has not made any political donations during the year (2018: £Nil).

Going concern

The Company has net liabilities and its trading subsidiaries disposed of their trade and assets on 16 March 2015. Consequently, the financial statements have been prepared on a basis other than that of a going concern. In reaching their view on the preparation of the Company's financial statements on a basis other than going concern, the directors have considered the letter of support provided by Ardonagh Midco 3 Plc. The Company is dependent upon the ongoing financial support of ASL, although the provision of such support is not legally binding.

Directors' liabilities

All directors of the Company and fellow Group companies benefit from qualifying third party indemnity provisions, subject to the conditions set out in the Companies Act 2006, in place during the financial year and at the date of this report.

Subsequent events

The directors have considered the guidance of the UK Financial Reporting Council and events relating to the spread of coronavirus (Covid-19) and have treated this as a non-adjusting subsequent event in these financial statements, (note 14).

Disclosure of information to the auditor

Each director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information. The directors confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

Towergate Financial (London) Limited

Directors' Report for the Year Ended 31 December 2019

Reappointment of auditor

The auditor, Deloitte LLP, is deemed to be reappointed under section 487 (2) of the Companies Act 2006.

Approved by the board on 25.09.2020 and signed on its behalf by:



D Cougill
Director

Towergate Financial (London) Limited

Statement of Directors' Responsibilities

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

Company law requires the directors to prepare financial statements for each financial year. 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), including FRS 101 "Reduced Disclosure Framework".

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 these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- 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 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 to enable them to ensure that the financial statements comply with 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.

Towergate Financial (London) Limited

Independent Auditor's Report to the Members of Towergate Financial (London) Limited

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of Towergate Financial (London) Limited ('the Company'):

- give a true and fair view of the state of the Company's affairs as at 31 December 2019 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 101 "Reduced Disclosure Framework"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the Statement of Comprehensive Income;
- the Statement of Financial Position;
- the Statement of Changes in Equity; and
- the related notes 1 to 14.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter - Financial statements prepared on a basis other than going concern

We draw attention to note 2 in the financial statements, which indicates that the financial statements have been prepared on a basis other than that of a going concern. Our opinion is not modified in respect of this matter.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in respect of these matters.

Towergate Financial (London) Limited

Independent Auditor's Report to the Members of Towergate Financial (London) Limited

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Report on other legal and regulatory requirements

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified any material misstatements in the Strategic Report or the Directors' Report.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

- adequate accounting records have not been kept, 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.

We have nothing to report in respect of these matters.

Towergate Financial (London) Limited

Independent Auditor's Report to the Members of Towergate Financial (London) Limited

Use of our report

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.



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Jamie Weisfeld (Senior Statutory Auditor)
For and on behalf of Deloitte LLP
Statutory Auditor
London, United Kingdom

Date: **25.09.2020**

Towergate Financial (London) Limited

Statement of Comprehensive Income for the Year Ended 31 December 2019

	Note	2019 £	2018 £
Finance income	5	<u>257</u>	<u>123</u>
Profit before tax		257	123
Income tax expense	8	<u>(49)</u>	<u>(23)</u>
Net profit for the year		<u>208</u>	<u>100</u>

The above results were derived from discontinued operations.

The notes on pages 13 to 18 form an integral part of these financial statements.

Towergate Financial (London) Limited

Statement of Financial Position as at 31 December 2019

	Note	2019 £	2018 £
Current assets			
Cash and cash equivalents	9	39,764	39,507
Current liabilities			
Trade and other payables	10	(462,456)	(462,433)
Income tax liability	8	(49)	(23)
Total current liabilities		<u>(462,505)</u>	<u>(462,456)</u>
Net current liabilities		<u>(422,741)</u>	<u>(422,949)</u>
Total assets less current liabilities		<u>(422,741)</u>	<u>(422,949)</u>
Capital and reserves			
Share capital	11	995	995
Retained losses		<u>(423,736)</u>	<u>(423,944)</u>
		<u>(422,741)</u>	<u>(422,949)</u>

Approved by the board on 25.09.2020 and signed on its behalf by:


D Cougill
Director

The notes on pages 13 to 18 form an integral part of these financial statements.

Towergate Financial (London) Limited

Statement of Changes in Equity for the Year Ended 31 December 2019

	Share capital £	Retained losses £	Total £
At 1 January 2019	995	(423,944)	(422,949)
Net profit for the year	-	208	208
At 31 December 2019	<u>995</u>	<u>(423,736)</u>	<u>(422,741)</u>

	Share capital £	Retained losses £	Total £
At 1 January 2018	995	(424,044)	(423,049)
Net profit for the year	-	100	100
At 31 December 2018	<u>995</u>	<u>(423,944)</u>	<u>(422,949)</u>

The notes on pages 13 to 18 form an integral part of these financial statements.

Towergate Financial (London) Limited

Notes to the Financial Statements for the Year Ended 31 December 2019

1 General information

The Company is a private company limited by share capital incorporated and registered in England, United Kingdom. The Company's registered office is 2 Minster Court, Mincing Lane, London, EC3R 7PD. The principal activity of the Company is disclosed on page 2 within the 'Strategic Report'.

These financial statements for the year ended 31 December 2019 were authorised for issue by the board on 25.09.2020 and the Statement of Financial Position was signed on the board's behalf by D Cougill.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

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.

Basis of preparation

These financial statements are prepared in accordance with FRS 101 "Reduced Disclosure Framework".

These financial statements are presented in GBP sterling (£), which is also the Company's functional currency.

These financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets and liabilities measured at fair value.

The adoption of IFRS 16, several amendments to standards and an interpretation are mandatorily effective for annual periods beginning on 1 January 2019. None of these had a material effect on the Company's financial statements.

These financial statements have been prepared on a basis other than going concern.

Summary of disclosure exemptions

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the EU ("Adopted IFRSs"), but makes amendments where necessary in order to comply with Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

In these financial statements, the Company has taken advantage of the following disclosure exemptions under FRS 101 where relevant:

- the requirements of IFRS 7 Financial Instruments: Disclosures and of paragraphs 91-99 of IFRS 13 Fair Value Measurement apart from those which are relevant for the financial assets and liabilities which are held at fair value not held as part of a trading portfolio;
- the requirements of IFRS 7 Financial Instruments: Disclosures and of paragraphs 91-99 of IFRS 13 Fair Value Measurement apart from those which are relevant for the financial statements which are held at fair value not held as part of a trading portfolio;
- the requirements in paragraph 10(d) and 111 of IAS 1 Presentation of Financial Statements to prepare a Cash flow statement and the requirements in IAS 7 Statement of Cash Flows regarding the same;

Towergate Financial (London) Limited

Notes to the Financial Statements for the Year Ended 31 December 2019

2 Accounting policies (continued)

- the requirements in paragraph 10(f), 39(c) and 134-136 of IAS 1 Presentation of Financial Statements, which includes the need to provide details on capital management;
- the requirements of paragraphs 30 and 31 in IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors regarding disclosure of new IFRS standards not yet effective at the reporting date and their potential impact;
- the requirements in paragraphs 17 and 18A of IAS 24 Related Party Disclosures around the need to disclose information on key management personnel and details on related party transactions entered into between two or more members of a group, provided that any subsidiary which is party to the transaction is wholly owned by such a member; and
- the requirements of paragraphs 134(d) - 134(f) and 135(c) - 135(e) of IAS 36 Impairment of Assets in respect of disclosure of assumptions on which projections used in the impairment review are based and sensitivity analysis.

Equivalent disclosures are included in the Group's consolidated financial statements as required by FRS 101 where exemptions have been applied.

Going Concern

The Company disposed of their trade and assets on 16 March 2015. The Company has net liabilities and it is the directors' intention to wind up the Company once its liabilities have been settled. Consequently, the financial statements have been prepared on a basis other than going concern.

As explained in the Risk Management paragraph in the Strategic Report on page 2, the Company relies on Ardonagh Services Limited for financial support.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

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 (London) Limited

Notes to the Financial Statements for the Year Ended 31 December 2019

2 Accounting policies (continued)

Taxation

Current tax

Current tax is recognised for the amount of tax payable in respect of the taxable profit for the current or past reporting periods using the tax rates and laws that have been enacted or substantively enacted by the reporting date.

Income tax is recognised in the Statement of Comprehensive Income, except that a charge attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income. Similarly, income tax is charged directly to equity.

3 Critical accounting judgements and key sources of estimation uncertainty

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the statement of financial position date and the amounts reported for revenues and expenses during the period.

There are no critical accounting judgements that would have a significant effect on the amounts recognised in the Company's financial statements or key sources of estimation uncertainty at the Statement of Financial Position date that would have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

4 Operating result

Amounts receivable by the Company's auditor in respect of services to the Company, other than the audit of the Company's financial statements, have not been disclosed as the information is required instead to be disclosed on a consolidated basis in the consolidated financial statements of the Company's ultimate parent, The Ardonagh Group Limited.

The audit fee of £4,413(2018: £4,284) for the audit of the Company was paid for by other Group entities for which no recharge was made.

5 Finance income

	2019 £	2018 £
Finance income		
Interest income on bank deposits	257	123
Net finance income	257	123

6 Staff costs

The Company had no employees in the current year or the preceding year. All administration is performed by employees of the Group, for which no recharge is made to the Company.

Towergate Financial (London) Limited

Notes to the Financial Statements for the Year Ended 31 December 2019

7 Directors' remuneration

The emoluments of all directors are paid by other Group companies, which make no recharge to the Company. These directors are directors of The Ardonagh Group Limited and/or other fellow subsidiaries. Their total emoluments are included in the consolidated financial statements of The Ardonagh Group Limited.

8 Income tax

Tax charged in the Statement of Comprehensive Income

	2019 £	2018 £
Current taxation		
UK corporation tax	<u>(49)</u>	<u>(23)</u>

The differences are reconciled below:

	2019 £	2018 £
Profit before tax	<u>257</u>	<u>123</u>
Corporation tax at standard rate of 19% (2018: 19%)	<u>(49)</u>	<u>(23)</u>
Total tax charge	<u>(49)</u>	<u>(23)</u>

Finance Bill 2016 enacted provisions to reduce the main rate of UK corporation tax to 17% from 1 April 2020. However, in the March 2020 Budget it was announced that the reduction in the UK rate to 17% will now not occur and the Corporation Tax Rate will be held at 19%.

9 Cash and cash equivalents

	2019 £	2018 £
Cash at bank	<u>39,764</u>	<u>39,507</u>

Cash at bank includes £39,764 (2018: £39,507), of restricted cash in relation to the disposal of the Towergate Financial business. This is held in segregated accounts as requested by the FCA.

Towergate Financial (London) Limited

Notes to the Financial Statements for the Year Ended 31 December 2019

10 Trade and other payables

	2019 £	2018 £
Current trade and other payables		
Amount due to other Group companies	<u>462,456</u>	<u>462,433</u>

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

11 Share capital

Allotted, called up and fully paid shares

	2019 No.	£	2018 No.	£
A Ordinary of £1 each	860	860	860	860
B Ordinary of £1 each	135	135	135	135
	<u>995</u>	<u>995</u>	<u>995</u>	<u>995</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 do not have any voting rights nor any dividend rights. The 'B' Ordinary Shares have the right to participate in a distribution whether in a winding-up or reduction of capital or otherwise.

12 Related party transactions

During the year the Company entered into transactions, in the ordinary course of business, with a number of related parties. The Company has taken the exemption under FRS 101 not to disclose transactions with key management personnel.

Business was also conducted, on an arm's length basis, within The Ardonagh Group Limited group of companies. The table below shows the transactions and balances with entities that form part of the group but are not wholly owned by The Ardonagh Group Limited.

	2019 Paid to £	2019 Received from £	2019 Due to at year end £	2018 Paid to £	2018 Received from £	2018 Due to at year end £
Towergate Financial (East) Limited	-	-	(3,849)	-	-	(3,849)
Towergate Underwriting Group Limited	-	-	(93,903)	-	-	(93,903)
Ardonagh Services Limited	-	-	(364,681)	-	-	(364,681)
Ardonagh Midco 3 plc	-	-	(23)	-	-	-

Towergate Financial (London) Limited

Notes to the Financial Statements for the Year Ended 31 December 2019

13 Parent and ultimate parent undertaking

The Group's majority shareholder and ultimate controlling party at 31 December 2019 is HPS Investment Partners LLC. The parent company of the largest group that prepares group financial statements at 31 December 2019 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 2019 that consolidate the Company is Ardonagh Midco 3 plc (incorporated in Great Britain, registered office address 2 Minster Court, London, EC3R 7PD). Financial statements for The Ardonagh Group Limited and Ardonagh Midco 3 plc are available on request from:

2 Minster Court
Mincing Lane
London
EC3R 7PD

14 Subsequent events

The Directors have considered the guidance of the UK Financial Reporting Council and events relating to the spread of coronavirus (Covid-19) and have treated this as a non-adjusting subsequent event in these financial statements (see note 2 Basis of preparation).

On 14 July 2020, the Group issued new borrowings, which it used to repay its existing borrowings and to fund acquisitions. The existing borrowings included the existing senior secured notes and the revolving credit facility, the repayment of which released the Group from the associated security. The new borrowings include \$500m senior unsecured notes, a senior secured term loan facility of £1,575m comprising £1,412.8m denominated in pound sterling and €180m denominated in euro and a £191.5m revolving credit facility that is not drawn at the date of this report. The Group completed the purchase of the entire issued share capital of Nevada 5 Topco Limited (an indirect parent of Arachas Topco Limited) on 14 July 2020, for a consideration of €135,781,781.51 cash. The Group also completed the purchase of the entire issued share capital of Nevada 4 Midco 1 Limited (the parent of Bravo Investment Holdings Limited) on 14 July 2020, for a consideration of £39,794,109.14 cash. The new borrowings will also be used to fund the acquisition of Bennetts Motorcycling Services Limited.