

Registered number: 08512036

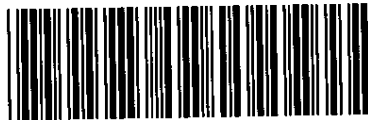
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**KEY GROUP BIDCO LIMITED**

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**UNAUDITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

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**KEY GROUP BIDCO LIMITED**

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**COMPANY INFORMATION**

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<b>Directors</b>	Simon Drew (appointed 1 April 2021) Simon Thompson
<b>Registered number</b>	08512036
<b>Registered office</b>	Baines House Midgery Court Pittman Way Fulwood Preston PR2 9ZH

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**KEY GROUP BIDCO LIMITED**

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## KEY GROUP BIDCO LIMITED

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### STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

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The Directors present their strategic report for the year ended 31 December 2021. References to "Group" throughout the Annual report and financial statements relate to the ultimate parent of the Company being Theo Topco Limited and its group of subsidiaries.

#### Business review

The Company's principal activities are that of an intermediate holding company and a service company providing Director services for other Group companies.

The longer term trends supporting the lifetime mortgage sector remains strong. The population continues to age, house price wealth is continuing to increase and pension savings are likely to be inadequate for many. Over the coming year, the Group has plans to continue to launch its new business proposition and broaden its range of later life lending products to help even more customers lead the life they want to lead in later life.

On the 30 June 2022, the company's subsidiary Key Retirement Solutions Limited acquired the remaining 49% share capital of TERE Advisors Limited, making it a wholly owned subsidiary. The Directors consider this to be a non-adjusting post balance sheet event.

Financial key performance indicators ('KPIs') are not relevant for this Company due to the nature of its operations.

#### Results and performance

The statutory results for the Company show revenue of £3,322k (2020: £2,036k), operating profit of £1k (2020: £nil) and a profit before tax of £nil (2020: £1,749k). The Directors do not propose the payment of a dividend.

The net assets of the Company were £35,838k (2020: £30,085k).

During the year the Company adopted Financial Reporting Standard 101 'Reduced Disclosure Framework' which had no impact on the prior year numbers.

#### Strategy and business environment

The Company continues to play an important role in supporting the operations of the wider Group within which it sits. In continuing to provide services across the Group, the Company will play a role in supporting the Group with its strategy of bringing together its services to develop a more comprehensive later life finance brand, which builds upon our strengths and deep understanding of our customers, with a single-minded focus on financially empowering those in later life, so they can live a better retirement.

In terms of structural economic drivers for the market, there continues to be a growing need for those in or approaching later life to finance their futures, due to low pension provisions and longer life expectancy. Whilst the current market expectations around future interest rate increases remain modest and the relatively high levels of price inflation being expected to return back to more normal levels within the short-term, clearly uncertainty still exists for the economy particularly with regard to the global impact of the war in Ukraine. Over time these factors, particularly if they significantly deteriorate or become longer term, could impact on consumer confidence and demand from those customers seeking to do more with their retirements, however, these same factors would increase demand from those customers who need to access later life finance to meet the essentials as the cost of living becomes more challenging.

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## KEY GROUP BIDCO LIMITED

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### STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

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#### **Our stakeholders**

Section 172 of the 2006 Companies Act requires that the Directors act in the way they consider, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole. In undertaking this responsibility, the Directors should have regard to the likely consequences of any decision in the long-term; the interests of employees; the need to foster relationships with suppliers, customers and others; the impact of its operations on the community and the environment; the maintaining of a reputation for high standards or business conduct; and the need to act fairly as between members of the Company.

The Board considers its main stakeholder groups to be Customers, Colleagues and Suppliers. However, it also considers the needs of other stakeholders such as the Government and the Community when making decisions.

The Board has continued to act in a way that promotes the long-term success of the Company and that of its stakeholders, ensuring that it is acting fairly and with integrity with these stakeholders in the decisions that it makes.

#### Customers

Our customers are other Group companies to which services are provided. The Company is integrated with the Group to ensure it is acting and responding in the best interests of the Group in the provision of various support services.

#### Colleagues

Our colleagues are an integral part of the success of our business and we recognise the impact that the Company has on their lives and the lives of their families. We have continued to support our colleagues through the Covid-19 pandemic enabling them to operate effectively and safely from home during this period. We are proud of the fact that we avoided the need to place any colleagues on furlough during the pandemic, instead providing them with a degree of normality and stability during what was an extremely difficult period for many.

As the country started to come out of the pandemic we supported our colleagues in making the transition back to the office in August/September 2021. At this time one of the changes made was to enable many who were not customer facing to return to the office under the flexibility of a hybrid working arrangement enabling them to choose to work up to two days from home.

We believe it is important that all our colleagues receive a fair level of pay for the work they do and as such, we are proud of the fact that everyone receives at least the National Living Wage, regardless of their age. A comprehensive review of pay was undertaken during the year which resulted in the decision being made to invest in the pay of our colleagues particularly those on lower pay scales and to standardise the Company pension contribution such that from April 2022, all colleagues can receive up to a minimum 8% employer pension contribution.

We continue to engage with and listen to our colleagues through multiple channels, and our regular Town hall meetings continue to keep our colleagues updated on developments within the business from our leadership team.

#### Suppliers

We have agreed fair payment terms with each of our individual suppliers and recognise the importance of paying each of these suppliers within the agreed terms. A conscious decision has been taken by the Board to ensure that frequency of supplier payment runs is high and that suppliers are paid on a timely basis so as not to place any unnecessary cash flow strains on those suppliers.

#### Community

We are passionate about supporting our local communities, particularly those which are some of the most

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## KEY GROUP BIDCO LIMITED

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### STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

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deprived areas in the country. In addition to providing employment opportunities in the Preston area we support our local communities through donations of funds, food, resource and time. For example, we have been supporting "The Boathouse Youth" charity in Blackpool for a number of years, which offers young people, many of whom are living in pretty difficult circumstances, the opportunity to learn new skills, have new experiences and providing them with a safe haven in which they can have fun. In addition, all our colleagues are provided with a charity day each year with which they can support various community initiatives.

#### Energy and carbon reporting

Since 2020, we have been Carbon Neutral in relation to our scope 1 & 2 emissions and scope 3 business travel. We continue to take steps to reduce our carbon emissions and have engaged with energy consultants to undertake a full review of our scope 3 emissions and the output of this exercise will form the basis of our net zero strategy to achieve net zero Greenhouse Gas (GHG) emissions.

The Streamlined Energy and Carbon Reporting (SECR) has been disclosed within the Group accounts which Key Retirement Solutions Limited is a member of. The parent company for the Group is Theo Topco Limited. The disclosure is not required for the Company given the Group disclosure sufficiently covers all members within the Group. Copies of the consolidated Annual report and financial statements can be obtained from Baines House, Midgery Court, Fulwood, Preston, PR2 9ZH.

#### Principal risks, including financial risks and uncertainties

From the perspective of the Company, the principal risks and uncertainties are integrated with the principal risks and uncertainties of the Group and are not managed separately. Accordingly, the principal risks and uncertainties of the Group, which include those of the Company are disclosed in the Theo Topco Limited Annual report and financial statements 2021, which does not form part of this report.

#### Going concern

The financial statements have been prepared on the going concern basis as the Directors have a reasonable expectation that the Company has adequate resources for a period of at least 12 months from the date of signing the financial statements. For further details see note 2.1.

#### Future developments

The longer term trends supporting the later life lending sector remain strong, despite the economic uncertainty which remains particularly in relation to the war in Ukraine. The population continues to age, house price wealth is continuing to increase and pension savings are likely to be inadequate for many. In addition, re-mortgaging later life mortgages which is relatively new but has been hugely popular in the residential mortgage market for the past 20 years, grew considerably during the year and is expected to continue to do so going forward.

Over the coming year, with the continued support of colleagues from across the business, the Group has plans in place to considerably grow the business with a broader range of later life lending products to help even more customers lead the life they want to lead in later life.

This report was approved by the board on 17 August 2022 and signed on its behalf.



**S Drew**  
Director

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## KEY GROUP BIDCO LIMITED

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### DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

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The Directors present their report and the financial statements for the year ended 31 December 2021.

#### **Matters covered in the Strategic report**

The Directors have chosen to present certain requirements of the Directors' report within the Strategic report, including principal activities, business review, declaration of dividends, future development, section 172 disclosure, energy & carbon reporting and principal risks facing the business.

#### **Statement of directors' responsibilities in respect of the financial statements**

The Directors are responsible for preparing the Strategic Report, the Directors' 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 prepared the Company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 'Reduced Disclosure Framework' 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 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;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 101 have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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.

#### **Directors**

The directors who served during the year and up to the date of signing the financial statements were:

Simon Drew (appointed 1 April 2021)  
Robert Scott (resigned 31 March 2021)  
Simon Thompson

#### **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 and was in force during the financial period ended 31 December 2021 and also at the date of approval of the financial statements.

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## KEY GROUP BIDCO LIMITED

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### DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

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#### Colleague involvement

The Company maintains a policy of regular consultation and discussion with its colleagues on a wide range of issues that are likely to affect their interests. The Company ensures that all colleagues are given regular updates on the performance of their business units and of the Group as a whole. Colleague involvement is facilitated through staff committee meetings, regular communication briefings and an annual colleague survey.

#### Diversity, inclusion and equal opportunities for all

We value diversity among our colleagues and strive to provide equal opportunities to all regardless of sex, race, nationality, colour, religion, marital status, disability, sexual orientation or age. All applicants and colleagues are treated equally in respect of recruitment, pay, training, promotional opportunities and other employment matters, with all decisions being based on merit. Reasonable adjustments are made to accommodate those with additional needs. Under no circumstances will discrimination against any individual or group be tolerated, and where there is evidence that this may have occurred, the matter will be promptly investigated in full with any disciplinary action taken where necessary.

#### Financial risk management

The financial risk management and policies of the Company are consistent with those of the Group. For further details, see note 19 of the Theo Topco Limited Annual report and financial statements 2021, which does not form part of this report.

#### Existence of branches outside of the United Kingdom

The Company has no branches outside of the United Kingdom.

#### Political donations

There were no political donations for the year (2020: none) and the Company did not incur any political expenditure (2020: £nil).

This report was approved by the board on 17 August 2022 and signed on its behalf.



**S Drew**  
Director



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KEY GROUP BIDCO LIMITED

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INCOME STATEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2021

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	Note	2021 £000	2020 £000
Revenue		3,322	2,036
Administrative expenses		(3,321)	(2,036)
<b>Operating profit</b>		<b>1</b>	<b>-</b>
Loss on disposal of investment		(1)	-
Dividend income		-	1,749
<b>Profit before tax</b>		<b>-</b>	<b>1,749</b>
Tax on profit	5	-	-
<b>Profit for the financial year</b>		<b>-</b>	<b>1,749</b>

KEY GROUP BIDCO LIMITED

STATEMENT OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2021

	Note	2021 £000	2020 £000
<b>Fixed assets</b>			
Investments	6	35,701	35,702
		<u>35,701</u>	<u>35,702</u>
<b>Current assets</b>			
Trade and other receivables: amounts falling due within one year	7	9,721	1,150
Cash and cash equivalents	8	4	1
		<u>9,725</u>	<u>1,151</u>
Trade and other payables: amounts falling due within one year	9	(9,588)	(6,768)
<b>Net current assets/(liabilities)</b>		<u>137</u>	<u>(5,617)</u>
<b>Total assets less current liabilities</b>		<u>35,838</u>	<u>30,085</u>
<b>Net assets</b>		<u>35,838</u>	<u>30,085</u>
<b>Capital and reserves</b>			
Called up share capital	10	5,804	51
Share premium account		205	205
Retained earnings		29,829	29,829
		<u>35,838</u>	<u>30,085</u>

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

The Company was entitled to exemption from the requirement to have an audit under section 479A 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 on pages 6 to 17 were approved and authorised for issue by the board and were signed on its behalf on 17 August 2022.

S Drew

Director

Company number: 08512036

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KEY GROUP BIDCO LIMITED

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STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2021

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	Called up share capital £000	Share premium account £000	Retained earnings £000	Total equity £000
At 1 January 2020	51	205	28,080	28,336
Profit for the financial year	-	-	1,749	1,749
At 31 December 2020 and at 1 January 2021	51	205	29,829	30,085
Shares issued during the year	5,753	-	-	5,753
At 31 December 2021	5,804	205	29,829	35,838

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## KEY GROUP BIDCO LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

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#### 1. General information

Key Group Bidco Limited is a private company limited by shares and is incorporated in the United Kingdom under the Companies Act 2006. The Company is domiciled in the United Kingdom and the address of its registered office is given on the company information page and the nature of the Company's operations and its principal activities are set out in the Strategic report.

#### 2. Accounting policies

##### 2.1 Basis of preparation of financial statements

The company financial statements have been prepared for the first time in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' (FRS 101) in conformity with the requirements of the Companies Act 2006. The results for the comparative period have been restated on the same basis.

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies (see note 3).

##### Going Concern

The financial statements have been prepared on the going concern basis as the Directors have a reasonable expectation that the Company has adequate resources for a period of at least 12 months from the date of signing the financial statements. This assessment has considered the Company's relationship with its Group and its position as obligor under the Group's loan agreement. There were no material uncertainties to disclose.

The Directors' assessment of the Company's ability to continue as a going concern considered a number of qualitative factors and considered the Group's budget cash flow and covenant projections (which include the Company), and the modelling of a number of severe downside scenarios and the impact of these on Group liquidity and its financial covenants.

At the 31 December 2021, the Group had a robust financial position providing it with sufficient access to liquidity, through a combination of cash and committed facilities, to meet its needs over at least the next 12 months. In addition to this, the Group is forecast to remain strongly cash generative over this period providing a further source of liquidity. At the 31 December 2021, the Group had comfortable headroom on its covenant basis net debt leverage ratio (Net debt/adjusted EBITDA) of x1.1 and its covenant basis interest cover ratio (Adjusted cash flow/bank loan interest) of x5.0. The extreme scenarios modelled demonstrate sufficient liquidity and financial covenant headroom being available.

Whilst not a key factor in the Director's going concern assessment, the Group also has a number of significant potential mitigations at their disposal to improve both short-term liquidity and financial covenant performance should the need arise, such as (but not limited to) reducing marketing spend, scaling back recruitment and certain salary costs, reducing capital expenditure and the ability to refinance the Group senior facilities.

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## KEY GROUP BIDCO LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

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## 2. Accounting policies (continued)

### 2.2 Adoption of new and revised standards

In preparing its first FRS 101 financial statements, a first time adopter applies those standards and interpretations that are effective as at the first annual FRS 101 reporting date. Generally these are applied consistently at the date of transition to FRS 101 to fully restate on a retrospective basis the opening statement of financial position, and in each of the periods presented in the first FRS 101 financial statements, subject to a number of exceptions. The adoption of FRS 101 has had no impact on the reported numbers in the company financial statements.

There are no new standards, interpretations and amendments, effective for the year ended 31 December 2021, that are relevant to the Company.

### 2.3 Financial reporting standard 101 - reduced disclosure exemptions

The Company has taken advantage of the following disclosure exemptions under FRS 101:

- the requirements of paragraphs 6 and 21 of IFRS 1 First-time adoption of International Financial Reporting Standards to present an opening statement of financial position at the date of transition
- the requirements of IFRS 7 Financial Instruments: Disclosures
- the requirements of paragraphs 91-99 of IFRS 13 Fair Value Measurement
- the requirements of the second sentence of paragraph 110 and paragraphs 113(a), 114, 115, 118, 119(a) to (c), 120 to 127 and 129 of IFRS 15 Revenue from Contracts with Customers
- the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of:
  - paragraph 79(a) (iv) of IAS 1;
  - paragraph 73(e) of IAS 16 Property, Plant and Equipment;
  - paragraph 118(e) of IAS 38 Intangible Assets;
- the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D, 111 and 134-136 of IAS 1 Presentation of Financial Statements
- the requirements of IAS 7 Statement of Cash Flows
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member

### 2.4 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.

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## KEY GROUP BIDCO LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

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#### 2. Accounting policies (continued)

##### 2.5 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date.

Deferred tax balance are recognised in respect of all timing differences that have originated but not reversed by the reporting date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of the underlying deferred tax liabilities or other future taxable profits;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the Company can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

##### 2.6 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

At each reporting date the Company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

##### 2.7 Trade and other receivables

Trade and other receivables are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost.

A provision for impairment of trade receivables is recognised based on lifetime expected credit losses at each reporting date.

Accrued income relates to amounts earned at the balance sheet date which have not yet been invoiced.

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## KEY GROUP BIDCO LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

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#### 2. Accounting policies (continued)

##### 2.8 Cash and cash equivalents

Cash and cash equivalents includes cash-in-hand, cash-at-bank, bank overdrafts and deposits readily convertible to known amounts of cash and that have an original maturity of three months or less. In the statement of financial position, bank overdrafts that do not have right of offset are presented within current liabilities.

##### 2.9 Trade and other payables

Trade and other payables are initially measured at fair value, net of transaction costs, and are measured subsequently at amortised cost.

##### 2.10 Financial liabilities and equity

Financial liabilities and equity instruments are initially measured at the amount of the net proceeds received. Financial liabilities and equity are classified according to the substance of the financial instruments' contractual obligations, rather than the financial instruments' legal form.

Financial liabilities are subsequently measured at amortised cost applying the effective interest rate method. The difference between the net proceeds received at inception and the principle cash flows due at maturity is accrued over the term of the liability.

##### 2.11 Reserves

The Company's reserves are as follows:

- Called up share capital reserve represents the nominal value of the shares issued.
- Share premium account represents the premiums received on issue of share capital. Any transaction costs associated with the issuing of shares are deducted from the share premium.
- Retained earnings represents cumulative profits or losses, net of dividends paid and other adjustments.

#### 3. Critical judgements and estimates

There were no matters to report that require a higher degree of judgement or complexity, or areas where assumptions and estimates were significant to the financial statements.

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KEY GROUP BIDCO LIMITED

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021

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**4. Employees**

Staff costs were as follows:

	2021 £000	2020 £000
Wages and salaries	2,476	1,664
Social security costs	339	229
Other pension costs	31	12
	<u>2,846</u>	<u>1,905</u>

The average monthly number of employees, including the directors, during the year was as follows:

	2021 No.	2020 No.
Key management personnel	<u>7</u>	<u>7</u>

The Directors are Directors of a number of fellow subsidiaries and as such, it is not feasible to make an accurate apportionment of their emoluments in respect to each of these subsidiaries. The emoluments in respect to these Directors are included in the aggregate of Key management personnel emoluments in the financial statements of the Ultimate parent undertaking, Theo Topco Limited.

**5. Taxation**

**Factors affecting tax charge for the year**

The tax assessed for the year is the same as (2020 - the same as) the standard rate of corporation tax in the UK of 19% (2020 - 19%) as set out below:

	2021 £000	2020 £000
Profit on ordinary activities before tax	<u>-</u>	<u>1,749</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2020 - 19%)	-	332
<b>Effects of:</b>		
Group relief	-	(332)
<b>Total tax charge for the year</b>	<u>-</u>	<u>-</u>



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**KEY GROUP BIDCO LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

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**5. Taxation (continued)**

**Factors that may affect future tax charges**

There were no factors that may affect future tax charges.

**6. Investments**

	<b>Investments in subsidiary companies £000</b>
<b>Cost</b>	
At 1 January 2021	<b>35,702</b>
Disposals	<b>(1)</b>
At 31 December 2021	<b>35,701</b>

During the year ended 31 December 2021, as part of a Group restructuring exercise, the Company acquired KRS Finance Limited at book value from its indirect subsidiary Key Retirement Group Limited for £1, following which it disposed of its investment in Key Retirement Group Limited to another group entity Key Group Midco 2 Limited for £1, resulting in a loss on disposal of £1,002.

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**KEY GROUP BIDCO LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

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**6. Investments (continued)****Subsidiary undertakings**

The following were subsidiary undertakings of the Company:

<b>Name</b>	<b>Place of business / country of incorporation</b>	<b>Class of shares</b>	<b>Holding</b>
KRS Finance Limited	Great Britain	Ordinary	100
KRS Group Limited*	Great Britain	Ordinary	100
Key Retirement Solutions Limited*	Great Britain	Ordinary A Ordinary B	100 100
Key Partnerships Limited*	Great Britain	Ordinary	100
More 2 Life Ltd*	Great Britain	Ordinary	100
More 2 Life SPV 1 Limited*	Great Britain	Ordinary	100
More 2 Life Asset SPV 2 Limited*	Great Britain	Ordinary	100
KRS Services Limited*	Great Britain	Ordinary	100
Equity Release Assured Limited*	Great Britain	Ordinary	100
Retirement People Limited*	Great Britain	Ordinary	100
Modern Lending Advisers Limited*	Great Britain	Ordinary	100
Home Equity Release Service Limited*	Great Britain	Ordinary	100
Key Money Limited*	Great Britain	Ordinary	100
Primetime Retirement Group Limited*	Great Britain	Ordinary A	79
Primetime Retirement Limited*	Great Britain	Ordinary	79
Key Secured Lending Limited*	Great Britain	Ordinary	100
More 2 Life Retirement Income Limited*	Great Britain	Ordinary	100
The Retirement Lending Advisers Limited*	Great Britain	Ordinary	100
Equity Release Club Holdings Limited*	Great Britain	Ordinary	51
Answers in Retirement Limited*	Great Britain	Ordinary	51
Later Life Guidance Limited*	Great Britain	Ordinary	51
Key Later Life Services Limited*	Great Britain	Ordinary	100
Key Legal Trustees Limited*	Great Britain	Ordinary	100
TERE Advisers Limited*	Great Britain	Ordinary	51
Key Group Asset Management Limited*	Great Britain	Ordinary	100
Sunrise Bidco Limited*	Great Britain	Ordinary	100
Standard Life Home Finance Limited*	Great Britain	Ordinary	100

\* The investment in these companies is held indirectly. The proportion held is the effective interest at the year end.

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.

Standard Life Home Finance Limited was established during the year ended 31 December 2021, in collaboration with Phoenix Group PLC to launch later life lending products into the market under the Standard Life brand. The Company is wholly owned by the Group and is recognised as a subsidiary undertaking on the basis that the Group has ultimate control over the entity and has rights to the economic risk and returns of the business.

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KEY GROUP BIDCO LIMITED

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021

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7. Trade and other receivables: amounts falling due within one year

	2021 £000	2020 £000
Amounts owed by group undertakings	9,716	1,150
Other receivables	5	-
	<u>9,721</u>	<u>1,150</u>

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

8. Cash and cash equivalents

	2021 £000	2020 £000
Cash at bank and in hand	4	1
	<u>4</u>	<u>1</u>

9. Trade and other payables: Amounts falling due within one year

	2021 £000	2020 £000
Amounts owed to group undertakings	8,856	6,725
Accruals and deferred income	732	43
	<u>9,588</u>	<u>6,768</u>

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

The Company is an Obligor under the Group Senior Facility Agreement, which governs the £75,000k senior loan (£53,900k outstanding at year end) and £5,000k revolving credit facility (undrawn at year end). This means that the Company has given security over its assets and, in conjunction with the rest of the Group, is responsible for maintaining compliance with its covenants. For further information in the terms of these facilities, please refer to the financial statements of Theo Topco Limited or Theo Midco Limited.

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## KEY GROUP BIDCO LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

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#### 10. Share capital

	2021 £000	2020 £000
<b>Allotted, called up and fully paid</b>		
5,804,032 (2020 - 51,294) Ordinary shares of £1 each	<u>5,804</u>	<u>51</u>

During the year ended 31 December 2021, as part of a Group restructuring exercise, the Company issued £5.753k of new shares in settlement of its intercompany position with Key Group Midco 2 Limited.

#### 11. Ultimate controlling party

At 31 December 2021 the Company's immediate parent company was Theo Bidco Limited and the Company's ultimate parent company was Theo Topco Limited.

Theo Midco Limited is the parent 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 the registered office, Baines House, Midgery Court, Pittman Way, 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 the registered office, Baines House, Midgery Court, Pittman Way, 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.

#### 12. Post balance sheet events

On 5 May 2022, the Group signed an agreement to acquire the remaining 49% share capital of TERE Advisers Limited for completion on 30 June 2022. On completion, TERE Advisers Limited became a wholly owned indirect subsidiary of the Company. The Directors consider this to be a non-adjusting post balance sheet event.