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**EQUITY RELEASE ASSURED LIMITED**

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**UNAUDITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

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**EQUITY RELEASE ASSURED LIMITED**

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**COMPANY INFORMATION**

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**Directors** Simon Drew (appointed 26 July 2021)  
William Hale  
Robert Scott (resigned 31 March 2021)  
Simon Thompson

**Registered number** 06673809

**Registered office** Baines House  
Midgery Court  
Preston  
PR2 9ZH

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**EQUITY RELEASE ASSURED LIMITED**

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## EQUITY RELEASE ASSURED LIMITED

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### DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

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The Directors present their report and the financial statements for the year ended 31 December 2020.

#### **Principal activity**

The principal activity of the company is that of a mortgage broker. The company is authorised and regulated by the Financial Conduct Authority (FCA). The Company ceased trading during 2016 and is in the process of winding down its activities.

#### **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 Theo Topco 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.

The Company is an Obligor under the Group Senior Facility Agreement, which governs the £73.9m senior loan and £5m revolving credit facility. 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.

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.

#### **Results and dividends**

The profit for the year, after taxation, amounted to £1,689 (2019 - £5,836).

#### **Directors**

The Directors who served during the year and up until the date of signing the financial statements were:

Simon Drew (appointed 26 July 2021)

William Hale

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.

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## **EQUITY RELEASE ASSURED LIMITED**

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### **DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020**

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#### **Directors' responsibilities statement**

The Directors are responsible for preparing 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 elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 for the Company's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards 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 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.

This report was approved by the board on 14 September 2021 and signed on its behalf.

*Simon Thompson*

Simon Thompson  
Director

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EQUITY RELEASE ASSURED LIMITED

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STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2020

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	Note	2020 £	2019 £
Turnover	3	1,815	5,874
<b>Gross profit</b>		<u>1,815</u>	<u>5,874</u>
Administrative expenses		(126)	(38)
<b>Operating profit and profit on ordinary activities before tax</b>		<u>1,689</u>	<u>5,836</u>
<b>Profit for the financial year</b>		<u>1,689</u>	<u>5,836</u>
<b>Total comprehensive income for the year</b>		<u>1,689</u>	<u>5,836</u>

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 10 form part of these financial statements.

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EQUITY RELEASE ASSURED LIMITED

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STATEMENT OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2020

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	Note	2020 £	2019 £
<b>Current assets</b>			
Cash at bank and in hand		70,953	69,264
		<u>70,953</u>	<u>69,264</u>
<b>Total assets less current liabilities</b>		70,953	69,264
<b>Net assets</b>		<u>70,953</u>	<u>69,264</u>
<b>Capital and reserves</b>			
Called up share capital	7	1	1
Profit and loss account		70,952	69,263
<b>Total Equity</b>		<u>70,953</u>	<u>69,264</u>

The Directors consider that the Company is entitled to exemption from audit under section 479A of the Companies Act 2006.

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 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 Company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 14 September 2021.

*Simon Thompson*

Simon Thompson  
Director

The notes on pages 6 to 10 form part of these financial statements.

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**EQUITY RELEASE ASSURED LIMITED**

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**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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	Called up share capital £	Profit and loss account £	Total equity £
<b>At 1 January 2019</b>	1	63,427	63,428
<b>Comprehensive income for the year</b>			
<i>Profit for the year</i>	-	5,836	5,836
<b>At 31 December 2019</b>	1	69,263	69,264
<b>Comprehensive income for the year</b>			
<i>Profit for the year</i>	-	1,689	1,689
<b>At 31 December 2020</b>	1	70,952	70,953

The notes on pages 6 to 10 form part of these financial statements.



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## **EQUITY RELEASE ASSURED LIMITED**

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### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020**

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#### **1. Basis of preparation**

Equity Release Assured Limited is a private company limited by shares and 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 Directors' 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.

#### **2. Principal Accounting policies**

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

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 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

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

##### **Going Concern**

After reviewing the Group's forecasts and projections (which include the Company) and the relationship of the Company with its Group and its position as obligor, 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. Details of the approach taken by the Board to come to this conclusion and the actions taken as a result of this assessment are included within the Strategic Report.

The following principal accounting policies have been applied:

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## EQUITY RELEASE ASSURED LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

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#### 2. Principal Accounting policies (continued)

##### 2.2 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 the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Theo Topco as at 31st December 2020 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.

##### 2.3 Turnover

Turnover represents sales to an external provider and customers at invoiced amounts less Value Added Tax or local taxes on sales. Turnover incorporates commission and packaging fees from an equity release provider and advice fees from customers. Turnover is recognised at the point of the completion of the arrangement.

##### 2.4 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.

##### 2.5 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.

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## EQUITY RELEASE ASSURED LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

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#### 3. Turnover

Turnover is wholly attributable to the principal activity of the Company and arises solely within the United Kingdom.

All turnover arose within the United Kingdom.

#### 4. Operating Profit

##### *Auditors' remuneration*

No audit services were provided in the current financial period. In 2019, fees payable to the Company's auditors for the audit of Equity Release Assured Limited were borne by KRS Services Limited, a fellow subsidiary company. In the Directors' opinion, a reasonable allocation of the 2019 audit fee to Equity Release Assured Limited was £3,600.

No non-audit services were provided during the current or the prior year.

#### 5. Directors' remuneration

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.

No Directors received any remuneration from the Company during the current or prior year.

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EQUITY RELEASE ASSURED LIMITED

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020

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6. Taxation

**Factors affecting tax charge for the year**

The tax assessed for the year is lower than (2019 - *lower than*) the standard rate of corporation tax in the UK of 19% (2019 - 19%). The differences are explained below:

	2020 £	2019 £
Profit on ordinary activities before tax	1,689	5,836
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2019 - 19%)	321	1,109
<b>Effects of:</b>		
Group relief claimed	(321)	(1,109)
<b>Total tax charge for the year</b>	-	-

**Factors that may affect future tax charges**

In the Spring Budget 2021, the Government announced that from 1 April 2023 the corporation tax rate will increase to 25%. Since the proposal to increase the rate to 25% had not been substantively enacted at the balance sheet date, its effects are not included in these financial statements.

7. Called up Share capital

	2020 £	2019 £
<b>Authorised, allotted, called up and fully paid</b>		
1 (2019 - 1) Ordinary Share share of £1	1	1

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## **EQUITY RELEASE ASSURED LIMITED**

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### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020**

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#### **8. Ultimate Parent Company**

At 31 December 2020 the Company's immediate parent company was Key Retirement Solutions 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 Baines House, Midgery Court, Fulwood, Preston, PR2 9ZH.

Theo Topco Limited is the ultimate parent and 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.