

Registration number: SC335874

Towergate Financial (Scotland) Holdings Limited

Unaudited Financial Statements

for the Year Ended 31 December 2022



Towergate Financial (Scotland) Holdings Limited
(Registration number: SC335874)
Statement of Financial Position as at 31 December 2022

	Note	2022 £	2021 £
Non-current assets			
Investments in subsidiaries	3	-	-
Current liabilities			
Trade and other payables	4	<u>(2,617,491)</u>	<u>(2,617,491)</u>
Net liabilities		<u>(2,617,491)</u>	<u>(2,617,491)</u>
Capital reserves			
Share capital	5	21,265	21,265
Retained losses		<u>(2,638,756)</u>	<u>(2,638,756)</u>
Total equity		<u>(2,617,491)</u>	<u>(2,617,491)</u>

For the year ended 31 December 2022, 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 4 September 2023 and signed on its behalf by:

Diane Cougill

D Cougill
Director

The notes on pages 2 to 5 form an integral part of these financial statements.

Towergate Financial (Scotland) Holdings Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 December 2022 (continued)

1 Accounting policies

Going concern

The financial statements of the Company have been prepared on a basis other than that of a going concern following management decision to wind up its parent Company and consequently 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 assets 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, where its value in use is the present value of its future cash flows. An impairment test requires the application of significant judgement because it relies on key assumptions, including forecast cash flows, a discount rate, a terminal growth rate and an EBITDA multiple.

Financial liabilities

Financial liabilities are initially measured at fair value plus directly attributable transaction costs. The Company's financial liabilities are trade and other payables. The subsequent measurement of financial liabilities is at mortised 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 (Scotland) Holdings Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 December 2022 (continued)

2 Income tax

The Company's tax charge is the sum of the total current and deferred tax expense.

	2022 £	2021 £
Current taxation		
UK corporation tax	-	-
Adjustments in respect of prior periods	-	-
Total current taxation	-	-
Deferred taxation		
Origination and reversal of temporary differences	-	-
Adjustments in respect of prior periods	-	-
Effect of tax rate change on opening balance	-	-
Total deferred taxation	-	-
Tax charge/(credit) in the statement of comprehensive income	-	-

The following table reconciles the tax charge calculated at the UK statutory rate on the Company's profit before tax with the actual tax charge for the year.

	2022 £	2021 £
Profit/(loss) before tax	-	-
Corporation tax at standard rate of 19% (2021: 19%)	-	-
Deferred tax expense/(credit) from unrecognised tax loss or credit	-	208
Deferred tax expense/(credit) relating to changes in tax rates or laws	-	(208)
Total tax charge/(credit)	-	-

In the March 2021 Budget, it was announced that the UK Corporation Tax Rate will rise from its current rate of 19% to 25% with effect from April 2023.

The Company did not recognise deferred tax assets as follows. These deferred tax assets have not been recognised in these accounts as it is not expected that the Group's future profitability will be sufficient to utilise them.

	2022 £	2021 £
Losses	866	866
Unrecognised deferred tax assets	866	866

Towergate Financial (Scotland) Holdings Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 December 2022 (continued)

3 Investments in subsidiaries

	£
Cost or valuation	
At 1 January 2022	<u>8,988,750</u>
At 31 December 2022	<u>8,988,750</u>
Provision for impairment	
At 1 January 2022	<u>8,988,750</u>
At 31 December 2022	<u>8,988,750</u>
Carrying amount	
At 31 December 2022	<u><u>-</u></u>
At 31 December 2021	<u><u>-</u></u>

The Company's trading subsidiary, Towergate Financial (Scotland) Limited ceased to trade on 16 March 2015. As a consequence, an impairment review was undertaken and the recoverable amount of shares in subsidiaries has been reduced to £Nil.

Details of the subsidiaries as at 31 December 2022 are as follows:

Name of subsidiary	Principal activity	Country of incorporation and principal place of business	Proportion of ownership interest and voting rights held	
			2022	2021
Towergate Financial (Scotland) Limited	Run-off	Scotland	100%	0%
Towergate Financial (Edinburgh) Limited	Dormant	Scotland	100%	0%

The registered office address of the above subsidiaries is 150 St. Vincent Street, Glasgow, G2 5NE.

Towergate Financial (Scotland) Holdings Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 December 2022 (continued)

4 Trade and other payables

	2022	2021
	£	£
Amounts due to other Group companies	<u>2,617,491</u>	<u>2,617,491</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

	2022		2021	
	No.	£	No.	£
Ordinary Shares of £1 each	<u>21,265</u>	<u>21,265</u>	<u>21,265</u>	<u>21,265</u>

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

6 Parent and ultimate parent undertaking

The immediate parent company is Towergate Financial (Group) Limited and the ultimate parent company is Tara Topco Limited.

The Group's majority shareholder and ultimate controlling party at 31 December 2022 is Madison Dearborn Partners LLC. The parent company of the largest group that prepares group financial statements at 31 December 2022 that consolidate the Company is Ardonagh Group Holdings Limited (incorporated in Great Britain, registered office address 2 Minster Court, Mincing Lane, London, EC3R 7PD). The parent company of the smallest group that prepares group financial statements at 31 December 2022 that consolidate the Company is Ardonagh Midco 2 plc (incorporated in Great Britain, registered office address 2 Minster Court, Mincing Lane, London, EC3R 7PD). Financial statements for Ardonagh Group Holdings Limited and Ardonagh Midco 2 plc are available on request from:

2 Minster Court
Mincing Lane
London
EC3R 7PD