

**STRATEGIC REPORT, DIRECTORS' REPORT AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021
FOR
ARGENTIS FINANCIAL GROUP LIMITED**

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ARGENTIS FINANCIAL GROUP LIMITED

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FOR THE YEAR ENDED 31 DECEMBER 2021**

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ARGENTIS FINANCIAL GROUP LIMITED

**COMPANY INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2021**

DIRECTORS:

L Lemenager
N Burns

REGISTERED OFFICE:

The Walbrook Building
25 Walbrook
London
EC4N 8AW

REGISTERED NUMBER:

05512992 (England and Wales)

AUDITOR:

Ernst & Young LLP
25 Churchill Place
Canary Wharf
London
E14 5EY

ARGENTIS FINANCIAL GROUP LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

The Directors present their Strategic Report for the year ended 31 December 2021.

REVIEW OF BUSINESS

The principal activity of the Company in the year under review was that of a holding company. It is expected that there will be no significant change to the nature of the Company's activities in the foreseeable future.

The Company is a wholly owned subsidiary of Arthur J. Gallagher & Co., a company incorporated in the United States of America and is included in the publicly available consolidated financial statements of Arthur J. Gallagher & Co. ("the Group"). The Group's strategic focus continues to be on the organic growth of existing core business and the acquisition of businesses to enhance future turnover and profitability.

The results of the Company for the year ended 31 December 2021 are set out in the financial statements on pages 8 to 14.

For the year ended 31 December 2021 the Company has recorded a loss before tax of £1,303k compared to the loss before tax of £5,028k in 2020. In both years, the loss is related to the impairment of investment in Argentis Financial Management Limited, and this has now been fully impaired in 2021.

Given the external developments and geopolitical disruption in relation to the ongoing COVID-19 pandemic, future forecasts and projections have taken these conditions into account. The disruption caused by the COVID-19 pandemic has reduced since the prior year and no additional risk is expected. The Company is fully operational, has deployed continuity protocols and has not been materially impacted by the COVID-19 pandemic. The business is not impacted materially by the conflict in Ukraine. The Company has adequate resources to continue in operational existence for a period of at least to 31 October 2023, and no material uncertainties related to going concern have been identified.

PRINCIPAL RISKS AND UNCERTAINTIES

The Group's international operations and debt profile expose it to a variety of financial and operational risks including the effects of change in foreign currency exchange rates, counterparty credit risks, compliance risk, liquidity and interest rates. The UK Group's Board of Directors are responsible for setting the UK Group's risk appetite and ensuring that it has an appropriate and effective risk management framework and monitors the ongoing process for identifying, evaluating, managing, and reporting the most material risks. To facilitate this, the UK Group maintains a risk framework, through which the key risks affecting the UK Group are identified, assessed and monitored. Each business entity also undertakes a similar process and these risk profiles help inform the overall risk profile of the UK business. This is reviewed by each business division's risk and conduct committee and in turn the combined risk profile is overseen by the GGB -UK Risk Committee, which is chaired and attended by independent non-executive members, and reports to the Board of Directors.

The UK Group has in place a risk management programme and policies in the context of the wider Group risk framework. This risk management programme seeks to manage any adverse impact upon the Group caused by the nature of its principal activity. The approach to the most material risks facing the business is noted below:

Borrowing facilities and liquidity risk

Operations for the Group are financed by a mixture of shareholders' funds, external borrowing facilities, inter-group borrowings and cash reserves. The objective is to ensure a mix of funding methods offering flexibility and cost effectiveness to match the needs of the Group. Forward looking cash flow projections are prepared on a regular basis to assess funding requirements.

Interest rate risk

Interest rates on the Group's formal intra-group loans are fixed in nature and set in accordance with the wider Group treasury and transfer pricing policies.

BY ORDER OF THE BOARD:

Nick Burns

.....
N Burns - Director

Date: 5 October 2022

ARGENTIS FINANCIAL GROUP LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

The Directors present their report with the audited financial statements of the Company for the year ended 31 December 2021. The results for the Company for the year ended 31 December 2021 and future developments are discussed in the Strategic Report.

DIRECTORS OF THE COMPANY

The Directors who have held office during the period from 1 January 2021 to the date of this report are as follows:

N Burns
L Lemenager

DIVIDENDS

No dividends will be distributed for the year ended 31 December 2021 (2020: £nil).

EVENTS AFTER THE REPORTING PERIOD

Information relating to events after the reporting period is given in the note 14 to the financial statements.

EMPLOYEES

The Company is an equal opportunities employer and bases all decisions on individual ability regardless of race, religion, gender, age or disability.

DIRECTORS' INDEMNITY PROVISIONS

The Directors have benefited from qualifying third party indemnity provisions during the financial year and to the date of this report.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Directors are responsible for preparing the Strategic Report, 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 FRS 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 in accordance with Section 10 of FRS 102, Accounting Policies Estimates and Errors and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- present information, including accounting policies, in a manner that provides, relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with specific requirements in FRS 102 is insufficient to enable users to understand the impact of particular transactions, other events and conditions on the company financial position and financial performance;
- state whether applicable 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 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.

ARGENTIS FINANCIAL GROUP LIMITED

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

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITOR

So far as the Directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the Company's auditor is unaware, and each Director has taken all the 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.

AUDITOR

The auditor, Ernst & Young LLP, will be proposed for re-appointment in accordance with section 487(2) of the Companies Act 2006.

BY ORDER OF THE BOARD:

Nick Burns

.....
N Burns - Director

Date: 5 October 2022

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ARGENTIS FINANCIAL GROUP LIMITED

Opinion

We have audited the financial statements Argentis Financial Group Limited for the year ended 31 December 2021 which Statement of comprehensive income, the Statement of Financial Position, the Statement of changes in equity and the related notes 1 to 14, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the Company's affairs as at 31 December 2021 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 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.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of 31 October 2023 from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

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 course of 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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

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 Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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 material misstatements in the strategic report or directors' report.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ARGENTIS FINANCIAL GROUP LIMITED

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you 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.

Responsibilities of Directors

As explained more fully in the directors' responsibilities statement set out on page 3, 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.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the company and determined that the most significant are framework (FRS 102) and elements of the Companies Act, 2006 and tax legislation;
- We understood how the Company is complying with those frameworks by making enquiries of management and those responsible for legal and compliance matters. We also reviewed minutes of the Board; and gained an understanding of the Company's approach to governance;
- We assessed the susceptibility of the company's financial statements to material misstatement, including how fraud might occur by considering the controls the Company has established to address the risks identified by the entity, or that otherwise seek to prevent, detect, or deter fraud. These procedures included testing manual journals and were design to provide reasonable assurance that the financial statements are free from fraud or error;
- Based on this understanding we designed our audit procedures to identify noncompliance with such laws and regulations, we considered the extent of compliance with those laws and regulations as part of our procedures on the related financial statement items. For both direct and other laws and regulations, our procedures involved: making enquiry of those charged with governance and senior management for their awareness of any non-compliance of laws or regulations, inquiring about the policies that have been established to prevent non-compliance with laws and regulations by officers and employees, inquiring about the company's methods of enforcing and monitoring compliance with such policies.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
ARGENTIS FINANCIAL GROUP LIMITED**

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

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.

Ernst & Young LLP

Vinood Ramabhai (Senior Statutory Auditor)
for and on behalf of Ernst & Young LLP
Statutory Auditor
London

6 October 2022

Date:

ARGENTIS FINANCIAL GROUP LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Notes	2021 £'000	2020 £'000
TURNOVER		-	-
Administrative expenses		<u>(1,303)</u>	<u>(4,958)</u>
		(1,303)	(4,958)
Other operating loss	2	<u>-</u>	<u>(70)</u>
LOSS BEFORE TAXATION		(1,303)	(5,028)
Tax on loss	5	<u>11</u>	<u>(30)</u>
LOSS FOR THE FINANCIAL YEAR		<u><u>(1,292)</u></u>	<u><u>(5,058)</u></u>

The notes form part of these financial statements

ARGENTIS FINANCIAL GROUP LIMITED (REGISTERED NUMBER: 05512992)

STATEMENT OF FINANCIAL POSITION
31 DECEMBER 2021

	Notes	£'000	2021 £'000	£'000	2020 £'000
FIXED ASSETS					
Investments	6		-		1,302
CURRENT ASSETS					
Debtors	7	1,199		1,189	
CREDITORS					
Amounts falling due within one year	8	<u>31</u>		<u>32</u>	
NET CURRENT ASSETS			<u>1,168</u>		<u>1,157</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			1,168		2,459
CREDITORS					
Amounts falling due after more than one year	9		<u>2,215</u>		<u>2,214</u>
NET ASSETS/(LIABILITIES)			<u>(1,047)</u>		<u>245</u>
CAPITAL AND RESERVES					
Called up share capital	10		4,204		4,204
Share premium	11		183		183
Capital redemption reserve	11		908		908
Retained earnings	11		<u>(6,342)</u>		<u>(5,050)</u>
SHAREHOLDERS' FUNDS			<u>(1,047)</u>		<u>245</u>

The financial statements were approved and authorised for issue by the Board of Directors on ~~5 October 2022~~..... and were signed on its behalf by:

Nick Burns

.....
N Burns - Director

The notes form part of these financial statements

ARGENTIS FINANCIAL GROUP LIMITED

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

	Called up share capital £'000	Share premium £'000	Capital redemption reserve £'000	Retained earnings £'000	Total equity £'000
Balance at 1 January 2020	4,204	183	908	8	5,303
Changes in equity					
Loss for the financial year	-	-	-	(5,058)	(5,058)
Balance at 31 December 2020	<u>4,204</u>	<u>183</u>	<u>908</u>	<u>(5,050)</u>	<u>245</u>
Changes in equity					
Loss for the financial year	-	-	-	(1,292)	(1,292)
Balance at 31 December 2021	<u>4,204</u>	<u>183</u>	<u>908</u>	<u>(6,342)</u>	<u>(1,047)</u>

The notes form part of these financial statements

ARGENTIS FINANCIAL GROUP LIMITED

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

1. ACCOUNTING POLICIES

Accounting convention

These financial statements have been prepared in accordance with applicable United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland", and with the Companies Act 2006. The financial statements have been prepared on a going concern basis, under the historical cost convention.

Argentis Financial Group is a private company, limited by shares, registered in England and Wales. The Company's registered number and registered office address can be found on the Company Information page. The functional currency of the company is considered to be pounds sterling because that is the currency of the primary economic environment in which the company operates and the accounts are presented in £'000s.

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

The Company has taken advantage of Section 401 of the Companies Act 2006 in not preparing consolidated financial statements on the basis that the results of the Company are included within the consolidated financial statements of Arthur J. Gallagher & Co., a company incorporated in the United States of America and for which results are publicly available from the Company's registered office.

The Company has taken advantage of the exemptions, under FRS 102 paragraph 1.12(b), (c), & (e) respectively, from preparing a Statement of Cash Flows, extended disclosure relating to derivatives and disclosure of key management compensation, on the basis that it is a qualifying entity and its ultimate parent company, Arthur J. Gallagher & Co., includes such disclosures in its own consolidated financial statements. The Company has also taken advantage of the exemptions available under paragraph 33.1A of FRS 102 Related Party Disclosures, not to disclose transactions that have taken place between members of the Group where the party to the transaction is a wholly owned member.

As at 31 December 2021, the Company was in a net liability position. The Company has a letter of support for a period of twelve months from the signing of the accounts from the parent company, Gallagher Benefit Services (Holdings) Limited.

The financial statements have been prepared on a going concern basis, under the historical cost basis. Given the external developments and geopolitical disruption in relation to the ongoing COVID-19 pandemic, future forecasts and projections have taken these conditions into account. The disruption caused by the COVID-19 pandemic has reduced since the prior year and no additional risk is expected. The Company is fully operational, has deployed continuity protocols and has not been materially impacted by the COVID-19 pandemic. The business is not impacted materially by the conflict in Ukraine. The Company has adequate resources to continue in operational existence for a period of at least to 31 October 2023, and no material uncertainties related to going concern have been identified. The Directors therefore continue to prepare the accounts on a going concern basis.

Significant judgements and estimates

The preparation of financial statements in conformity with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies however, there are no areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements.

Interest receivable/payable

Interest receivable/payable is recognised in the Statement of Comprehensive Income on an accruals basis based on the terms of the underlying contracts or agreements.

Taxation

Provision is made at current enacted rates for taxation. Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the Statement of Financial Position date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more, tax in future periods.

Deferred tax assets are recognised only to the extent that the Directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing difference can be deducted.

Deferred tax assets and liabilities are not discounted.

ARGENTIS FINANCIAL GROUP LIMITED

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

1. ACCOUNTING POLICIES- continued

Goodwill and intangible fixed assets

Intangible fixed assets arising on the acquisition of other business have been capitalised, classified as assets in the Statement of Financial Position and amortised over their useful economic lives. They are reviewed for impairment if events or changes in circumstances indicate that the carrying values may not be recoverable.

Amortisation is provided on all intangible fixed assets at rates calculated to write off the cost of each asset evenly over its expected useful life, as follows:

Goodwill - over 10 years

Fixed asset investments

Fixed asset investments in the financial statements are stated at cost less provision for any impairment in value.

Short term debtors and creditors

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the Statement of Comprehensive Income in other operating expenses.

Loans to/from group undertakings

Loans to/from other group undertakings are initially recognised at transaction price, less any transactional costs unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future payments discounted at a market rate of interest. In subsequent years the loans are carried at amortised cost, using the effective interest rate method.

Where loans are repayable on demand they are classified as short term debtors/creditors and recognised at the full amount payable. The loans are derecognised when the liability is extinguished, that is when the contractual obligation is discharged or cancelled.

2. OTHER OPERATING LOSS

	2021	2020
	£'000	£'000
Other operating loss	<u>-</u>	<u>70</u>

3. DIRECTORS' REMUNERATION

The Directors were remunerated during the year by a fellow subsidiary within the Group and Arthur J. Gallagher & Co., the ultimate holding company. None of the Directors received any remuneration during the year in respect of their services as a Director of the Company (2020: £nil) and it would not be practicable to apportion their remuneration between their services as Directors of the Company and their services for other Group companies. The Company has not been recharged any amount for the remuneration of these Directors (2020: £nil).

4. OPERATING LOSS

The operating loss is stated after charging:

	2021	2020
	£'000	£'000
Goodwill amortisation	-	311
Impairment of subsidiaries	<u>1,302</u>	<u>4,966</u>

Auditor's remuneration in the current year of £5k has been borne by a fellow group undertaking and has not been recharged to the Company.

ARGENTIS FINANCIAL GROUP LIMITED

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

5. TAXATION

Analysis of the tax charge

The tax charge on the loss for the year was as follows:

	2021 £'000	2020 £'000
Current tax:		
UK corporation tax	(10)	15
Adjustment in respect of previous periods	<u>(1)</u>	<u>-</u>
Total current tax	<u>(11)</u>	<u>15</u>
Deferred tax:		
Adjustment in respect of previous periods	<u>-</u>	<u>15</u>
Total deferred tax	<u>-</u>	<u>15</u>
Tax on loss	<u>(11)</u>	<u>30</u>

UK corporation tax was charged at 19% in 2021.

Reconciliation of total tax credit included in profit and loss

The tax assessed for the year is the lower than the standard rate of corporation tax in the UK.

	2021 £'000	2020 £'000
Loss before tax	<u>(1,303)</u>	<u>(5,028)</u>
Loss multiplied by the standard rate of corporation tax in the UK of 19% (2020 - 19%)	(247)	(955)
Effects of:		
Expenses not deductible for tax purposes	247	1,016
Utilisation of tax losses	-	(12)
Adjustments to tax charge in respect of previous periods	(1)	(2)
Transfer pricing adjustment	<u>(10)</u>	<u>(17)</u>
Total tax charge/(credit)	<u>(11)</u>	<u>30</u>

The Company profits are taxable in the UK under the standard rate of corporation tax being 19% (2020: 19%). The Company is expected to continue to attract the standard rate of UK corporation tax. On 10 June the UK Government legislated to increase the main rate of corporation tax to 25% as of 1 April 2023.

6. FIXED ASSET INVESTMENTS

	Shares in group undertakings £'000
COST	
At 1 January 2021	
and 31 December 2021	<u>6,269</u>
PROVISIONS	
At 1 January 2021	4,967
Provision for impairment	<u>1,302</u>
At 31 December 2021	<u>6,269</u>
NET BOOK VALUE	
At 31 December 2021	<u>-</u>
At 31 December 2020	<u>1,302</u>

ARGENTIS FINANCIAL GROUP LIMITED

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

7. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£'000	£'000
Amounts owed by group undertakings	1,189	1,189
Group relief debtor	<u>10</u>	<u>-</u>
	<u>1,199</u>	<u>1,189</u>

Amounts owed by group undertakings are unsecured, repayable on demand and are on an interest free basis.

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£'000	£'000
Amounts owed to group undertakings	31	-
Corporation tax creditor	<u>-</u>	<u>32</u>
	<u>31</u>	<u>32</u>

Amounts owed to group undertakings are unsecured, repayable on demand and are on an interest free basis.

9. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2021	2020
	£'000	£'000
Amounts owed to group undertakings	<u>2,215</u>	<u>2,214</u>

10. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:		Nominal value:	2021	2020
Number:	Class:		£'000	£'000
4,204,391	Ordinary	£1	<u>4,204</u>	<u>4,204</u>

11. RESERVES

Called Up Share Capital - represents the nominal value of shares that have been issued.

Share Premium - This reserve records the amount above the nominal value received for shares issued, less transaction costs.

Capital Redemption Reserve - represents the nominal value of shares repurchased by the Company.

Retained Earnings - includes all current and prior period retained profits and losses.

12. PARENT COMPANY AND ULTIMATE HOLDING COMPANY

The immediate parent company is Gallagher Benefits Services Management Company Limited (formerly Risk & Reward Group (Holdings) Limited), a company registered in England and Wales. The largest group of undertakings of which the Company is a member and for which financial statements are prepared, is headed up by Arthur J. Gallagher & Co., a company incorporated in the United States of America, which is the ultimate holding company. The registered address of Arthur J. Gallagher & Co. is 2850 W. Golf Rd., Rolling Meadows, IL 60008. A copy of these consolidated financial statements is available from the registered office of the Company.

13. RELATED PARTY DISCLOSURES

The Company has taken advantage of the exemptions available under paragraph 33.1A of FRS 102 Related Party Disclosures, not to disclose transactions that have taken place between members of the Group where the party to the transaction is a wholly owned member.

14. EVENTS AFTER THE REPORTING PERIOD

The Directors confirm that there are no events after the reporting period that are required to be disclosed.