

Registered number: 08345152

Talbot Deane Investments Limited

Report and Financial Statements

For the year ended 31 December 2021

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COMPANY INFORMATION

Directors

M P Rea
J O Whittingham

Secretary

A Peel

Registered Office

The Walbrook Building
25 Walbrook
London
England
EC4N 8AW

Registered number: 08345152

Auditor

Lindley & Co.
17 Milbrook Drive
Shenstone
Lichfield
Staffs
WS14 0JL

STRATEGIC REPORT

For the year to 31 December 2021

Introduction

The directors are pleased to present their report and audited financial statements for the year ended 31 December 2021.

Principal Activity

The company historically operated as a holding company for the Bollington group of insurance broking companies. It has been largely dormant since the creation of the Bollington Wilson Group in 2017.

On 5 February 2021 Bollington Wilson Group Limited the UK Group to which the company belonged, became a wholly owned subsidiary of Gallagher Holdings (UK) Limited, a company incorporated in England.

Bollington Wilson Group Limited became 100% owned and controlled by Arthur J. Gallagher & Co (Country of incorporation and Domicile: USA), the ultimate holding company.

The Company is therefore 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.

Business Review

The company's only transactions in the year were the investment of £11,000,058 in the ordinary share capital of its subsidiary company, The Bollington Group (Holdings) Limited, and an impairment charge of £5,251,760 following a review of the carrying value of investments.

The results of the Company for the year ended 31 December 2021 are set out in the financial statements on pages 13 to 20.

For the year ended 31 December 2021 the Company had no income or expenditure other than the impairment charge referred to above. In consequence, it recorded a loss in the period of £5,251,760 before tax compared to the loss before tax of £(50,000) in 2020. There was no interest charged in the year due to a change in the coupon rate charged on loans from group companies.

The Company has not been materially impacted by the COVID-19 pandemic.

The Company has not been materially impacted by the ongoing conflict in Ukraine.

TALBOT DEANE INVESTMENTS LIMITED

STRATEGIC REPORT (Continued)

Statement by the directors on the performance of their statutory duties in accordance with S172(1) of the Companies Act 2006

The directors of Talbot Deane Investments Limited have regard to the interests of the Company's stakeholders in accordance with S172(1) of the Companies Act 2006. The directors recognise their responsibility to act in good faith to promote the success of the Company for the benefit of its shareholders while also considering the impact of their decisions on other stakeholders. These stakeholders include clients, strategic partners (for example, insurance companies), suppliers, the environment and the wider community. Engagement with these stakeholders, to understand the issues and factors which are most important to them, is an important aspect of our decision-making process. In making key decisions, the directors consider the outcomes of engagement with the relevant stakeholders.

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.

Going Concern

During the current financial year the trading entities, for which the company acts as a holding company, ceased trading when their business was hived up to other group entities on 4th October 2021. There is no intention for any of the entities for which the company acts as a holding company to commence trading again in the foreseeable future. Accordingly, the directors have concluded that the company has ceased fulfilling its principal activity. The directors have reviewed the going concern basis and have therefore prepared the financial statements on a basis other than going concern. The Directors do not consider this has led to any material differences than if they were prepared on a going concern basis.

TALBOT DEANE INVESTMENTS LIMITED
STRATEGIC REPORT (Continued)

at 31 December 2021, the Company has net liabilities of £4,862,116 (2020: net assets £341,359). Due to the Group's year-end position, the ultimate parent undertaking, Arthur J. Gallagher & Co, has confirmed its continued support for the company for a period of at least twelve months from the date of approval of the financial statements.

This report was approved by the board on 21 September 2022 and signed on its behalf.

James Whittingham

J O Whittingham
Director

DIRECTORS' REPORT

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

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 financial statements and then apply them consistently;
- make judgements 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company and Group'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.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Directors

The Directors who served during the year and up to the date of this report were:

	Appointed	Resigned
M P Rea	05 February 2021	
J O Whittingham	05 February 2021	
P C Moors		05 February 2021
C M Patterson		05 February 2021
P F McDonnell		05 February 2021
P F Evans		05 February 2021

All directors served throughout the year and thereafter, unless stated otherwise above.

Dividends

No dividends were paid or proposed in the year (Prior year: £Nil).

TALBOT DEANE INVESTMENTS LIMITED
DIRECTORS' REPORT (Continued)

Environment, climate and energy change

The Company is committed to pursuing sound environmental policies in all aspects of its business and seeks to encourage and promote good environmental practice amongst its employees and within the communities in which it operates.

The Company has assessed the energy consumption to be less than 40MWh and is determined to be a low energy user, as such detailed information on the Streamlined Energy and Carbon Reporting (SECR) is not disclosed.

Employees and directors

The Company has no employees.

The Company's directors are remunerated through other group companies

Directors' and officers' indemnities

Qualifying third-party indemnity provisions for the benefit of the Company's directors were made during the year and remain in force at the date of this report.

Disclosure of information to auditor

Each of the persons who are directors at the time when this director's report is approved has confirmed that:

- so far as that director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Auditor

Pursuant to Section 487 of the Companies Act 2006, the auditors will be deemed to be reappointed and will therefore continue in office.

This report was approved by the Board on 21 September 2022 and signed on its behalf by:

James Whittingham

J O Whittingham
Director

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TALBOT DEANE INVESTMENTS LIMITED

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of Talbot Deane Investments Limited (the 'company'):

- give a true and fair view of the state 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, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the Company's statement of comprehensive income;
- the Company's statement of financial position;
- the Company's statements of changes in equity;
- the accounting policies; and
- the related notes 1 to 9.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

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

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

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

We draw attention to note 1 in the financial statements, which indicates that the financial statements have been prepared on a basis other than that of a going concern. Our opinion is not modified in respect of this matter.

Other information

The 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 our 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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TALBOT DEANE INVESTMENTS LIMITED (Continued)

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 this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of directors

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

Extent to which 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 material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

We considered the nature of the company's industry and its control environment, and reviewed the company's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management about their own identification and assessment of the risks of irregularities.

We obtained an understanding of the legal and regulatory framework[s] that the company operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These include the Companies Act 2006 and the Income and Corporation Taxes Act 1988; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TALBOT DEANE INVESTMENTS LIMITED (Continued)

These included Finance Conduct Authority ("FCA") and UK general Data Protection Regulation

We discussed among the audit engagement team regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

As a result of performing the above, we identified the greatest potential for fraud in the following areas, and our specific procedures performed to address it are described below:

- Payables and provision are incomplete

In response to the risk of payables and provisions being incomplete we have:

- Tested the design and implementation of key controls identified;
- Substantively tested payables and provision by agreeing a sample of liabilities to third party information and bank statements to liability schedules to confirm whether the payables and provisions recognised are complete;
- Enquiring of management and external legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- Assessed the accounting treatment in line with FRS 102.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management, in-house legal counsel and external legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance and reviewing correspondence with FCA.

Report on other legal and regulatory requirements

Opinions on other matters prescribed by the Companies Act 2006

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

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TALBOT DEANE INVESTMENTS LIMITED (Continued)

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the strategic report or the directors' report.

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in respect of these matters.

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.

Edward Lindley

Edward Lindley (Senior Statutory Auditor)

For and on behalf of

Lindley & Co

Chartered Certified Accountants & statutory auditor

17 Millbrook Drive

Shenstone

Lichfield

Staffs

WS14 0JL

21 September 2022

STATEMENT OF FINANCIAL POSITION

As at 31 December 2021

	Note	2021 £	2020 £
Fixed assets			
Investments	2,3	6,804,620	1,056,322
		<u>6,804,620</u>	<u>1,056,322</u>
Current assets			
Debtors	4	48,227	-
Cash at bank and in hand		-	-
		<u>48,227</u>	<u>-</u>
Creditors: amounts falling due within one year	5	(11,714,963)	(714,963)
Net current assets		<u>(11,666,736)</u>	<u>(714,963)</u>
Total assets less current liabilities		<u>(4,862,116)</u>	<u>341,359</u>
Net assets		<u>(4,862,116)</u>	<u>341,359</u>
Capital and reserves			
Share capital	6	500,058	500,000
Profit and loss account		(5,362,174)	(158,641)
Equity shareholders' funds		<u>(4,862,116)</u>	<u>341,359</u>

The directors of the company have elected under section 444 of the Companies Act 2006 not to include a copy of the income statement within the financial statements.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The notes on pages 15 to 20 form part of these financial statements.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 21 September 2022.

James Whittingham

J O Whittingham
Director

STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2021

	Called up Share Capital £	Retained Earnings £	Total Equity £
At 01 January 2021	500,000	(158,641)	341,359
Shares issued	58	-	58
(Loss) for the financial period	-	(5,203,533)	(5,203,533)
At 31 December 2021	<u>500,058</u>	<u>(5,362,174)</u>	<u>(4,862,116)</u>

NOTES TO THE FINANCIAL STATEMENTS

1. Accounting policies

1.1 General information and Basis of preparation of financial statements

Talbot Deane Investments Limited (the "Company") is a private company limited by shares incorporated in the United Kingdom under the Companies Act and registered in England. The address of the registered office is given on page 2.

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.

The financial statements are prepared in accordance with applicable law and United Kingdom accounting standards. The principle accounting policies are summarised below. All accounting policies have been consistently applied throughout the current and preceding year.

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland and the Companies Act 2006.

1.2 Financial Reporting Standard 102 reduced disclosure exemption

Related party transactions

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.

Cash flow statement and key management compensation

The Company meets the definition of a 'qualifying entity' under FRS 102 and as such has elected to take the exemptions under FRS 102, para 1.12(b) & (e) respectively, from preparing a Statement of Cash Flows and disclosure of key management compensation, on the basis that its ultimate parent company, Arthur J Gallagher & Co., includes such disclosures in its own consolidated financial statements.

1.3 Going concern

During the current financial year the trading entities, for which the company acts as a holding company, ceased trading when their business was hived up to other group entities on 4th October 2021. There is no intention for any of the entities for which the company acts as a holding company to commence trading again in the foreseeable future. Accordingly, the directors have concluded that the company has ceased fulfilling its principal activity. The directors have reviewed the going concern basis and have therefore prepared the financial statements on a basis other than going concern. The Directors do not consider this has led to any material differences than if they were prepared on a going concern basis.

TALBOT DEANE INVESTMENTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS (Continued)

Due to the company's year-end position, the ultimate parent undertaking, Arthur J. Gallagher & Co, has confirmed its continued support for the company for a period of at least twelve months from the date of approval of the financial statements.

1.4 Investments in subsidiaries

Investments in subsidiaries are accounted for at cost less impairment in the individual financial statements.

1.5 Impairment of assets

At each reporting date fixed assets are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected asset is estimated and compared with its carrying amount. If the estimated recoverable amount is lower the carrying amount is reduced to its estimated recoverable amount and an impairment loss is recognised immediately in the Income Statement.

If an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined if no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in the Income Statement.

1.6 Financial instruments

The Company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all its financial instruments.

The Company enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade payables or receivables, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

TALBOT DEANE INVESTMENTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS (Continued)

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting year for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Income Statement.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

The Company assesses at each Balance Sheet date whether there is objective evidence that a financial asset or group of financial assets are impaired. A financial asset, or a group of financial assets, is impaired and impairment losses are incurred if, and only if, there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a loss event) and that loss event (or events) has an impact on estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

Objective evidence that a financial asset, or group of assets, is impaired includes observable data that comes to the attention of the Company about the following loss events:

- delinquency in contractual payments of principal or interest;
- cash flow difficulties;
- breach of loan covenants or conditions; and
- initiation of bankruptcy proceedings.

1.7 Taxation

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

Deferred tax is recognised in respect of all timing differences at the reporting date, except as otherwise indicated. Deferred tax assets are only recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. If and when all conditions for retaining tax allowances for the cost of a fixed asset have been met, the deferred tax is reversed.

Deferred tax is recognised when income or expenses from a subsidiary or associate have been recognised, and will be assessed for tax in a future year, except where:

TALBOT DEANE INVESTMENTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS (Continued)

- the Company can control the reversal of the timing difference; and
- it is probable that the timing difference will not reverse in the foreseeable future.

A deferred tax liability or asset is recognised for the additional tax that will be paid or avoided in respect of assets and liabilities that are recognised in a business combination. The amount attributed to goodwill is adjusted by the amount of deferred tax recognised.

Deferred tax is calculated using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Except for changes arising on the initial recognition of a business combination, the tax expense (income) is presented either in profit or loss, other comprehensive income or equity depending on the transaction that resulted in the tax expense (income).

Deferred tax liabilities are presented within Creditors and deferred tax assets within Debtors. Deferred tax assets and deferred tax liabilities are offset only if:

- the Company has a legally enforceable right to set off current tax assets against current tax liabilities, and
- the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority or either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously.

2. Investments

	2021	2020
	£	£
Cost or valuation		
At 01 January 2021	1,056,322	1,056,322
Additions	11,000,058	-
Impairment	(5,251,760)	-
At 31 December 2021	<u>6,804,620</u>	<u>1,056,322</u>

During the year the company subscribed for £11,000,000 of additional share capital in its subsidiary The Bollington Group (Holdings) Limited. The subscription was funded by the creation of a further £11,000,000 of intercompany indebtedness to that subsidiary, payable on demand. £58 of additional investment in the same subsidiary company has been recorded and was funded by £58 of share capital.

Where the net asset value of a directly held subsidiary is lower than the cost of investment in that subsidiary, the carrying value of that investment has been impaired to either the net asset value or £Nil, whichever is the greater.

TALBOT DEANE INVESTMENTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS (Continued)

3. Subsidiaries

Held by company:

Name	Country of Incorporation	Holding	Principal activity	Company number
The Bollington Group (Holdings) Limited	UK	100%	Holding Co	04601252

Held by subsidiary:

Bollington Insurance Brokers Limited	UK	100%	Insurance Brokers	02918954
Bollington Underwriting Limited	UK	100%	Insurance Brokers	02074674

The Registered Office address of all subsidiary companies is The Walbrook Building, 25 Walbrook, London, England, EC4N 8AW.

On 21 October 2021 a dormant subsidiary, Compucar Limited (company number 02970218), had a voluntary liquidator appointed and had its registered office changed to c/o BDO LLP, 5 Temple Square, Temple Street, Liverpool L2 5RH.

4. Debtors

Amounts falling due within one year

	2021	2020
	£	£
Corporation Tax group relief debtor	48,227	-
	48,227	-

5. Creditors amounts falling due within one year

Amounts falling due within one year

	2021	2020
	£	£
Owed to group companies	11,214,963	214,963
Loans from group companies	500,000	500,000
	11,714,963	714,963

All amounts owed to group companies are repayable on demand.

During the period, the coupon attaching to loans from group companies was reduced to 0% effective 1 January 2021.

TALBOT DEANE INVESTMENTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS (Continued)

6. Share capital

	2021	2020
	£	£
Issued and fully paid		
Ordinary shares of £1 each	500,058	500,000
	<u>500,058</u>	<u>500,000</u>

7. Related party transactions

The Company has taken advantage of the exemption conferred by FRS102 section 33 "related party disclosures" not to disclose transactions with members of the Group claiming 100% of the voting rights in the Company are controlled within that Group and the Company is included in the consolidated financial statements.

8. Parent company and ultimate holding company

The immediate parent company is Bollington Wilson Limited, a company incorporated in England. The largest group of undertakings which the Company is a member of and for which financial statements are prepared is Arthur J Gallagher & Co. a company incorporated in the United States of America, which is the ultimate holding company.

Talbot Deane Limited is 100% owned and controlled by Arthur J. Gallagher & Co (Country of incorporation and Domicile: USA), the ultimate holding company.

9. Post balance sheet events

There are no post balance sheet events that require disclosure.

TALBOT DEANE INVESTMENTS LIMITED

STATEMENT OF COMPREHENSIVE INCOME
For the year ended 31 December 2021

	Discontinued operations	Discontinued operations
	2021 £	2020 £
Administrative expenses	(5,251,760)	-
Operating Loss	(5,251,760)	-
Net interest expense	-	(50,000)
Loss before tax	(5,251,760)	(50,000)
Tax on profit	48,227	-
Loss for the period	(5,203,533)	(50,000)
Other comprehensive income for the period	-	-
Total comprehensive loss for the period	(5,203,533)	(50,000)

Total comprehensive loss for the financial period attributable to:

Owners of the parent Company	(5,203,533)	(50,000)
	(5,203,533)	(50,000)

All the loss for the financial year is attributable to the controlling interest of the company and is derived from operations which became discontinued on 4 October 2021.

The notes on pages 15 to 20 form part of these financial statements