

Registered number: SC98767

ALLIANCE TRUST SAVINGS LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021



ALLIANCE TRUST SAVINGS LIMITED

COMPANY INFORMATION

DIRECTORS	Richard Wilson Barry Bicknell
REGISTERED NUMBER	SC98767
REGISTERED OFFICE	C/O Burness Paul LLP 50 Lothian Road Festival Square Edinburgh EH3 9WJ

ALLIANCE TRUST SAVINGS LIMITED

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ALLIANCE TRUST SAVINGS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

The Directors present the annual report and financial statements for Alliance Trust Services Limited ('the Company') for the year ended 31 December 2021. The Company is a subsidiary in the Interactive Investor Limited group (the 'ii Group').

The Directors' report has been prepared taking advantage of the small companies exemption in accordance with section 415A of the Companies Act 2006.

The Directors have also taken advantage of the exemption available to small companies under section 414B of the Companies Act 2006, and consequently no strategic report has been prepared.

The Company has taken advantage of the audit exemption set out within section 479A of the Companies Act 2006 for the year ended 31 December 2021. As such, this annual report and financial statements are not audited.

The Company is a wholly owned subsidiary of Interactive Investor Limited.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The Company was a financial services business that was authorised by the Prudential Regulation Authority ("PRA") and regulated by the Financial Conduct Authority ("FCA") and PRA, under firm reference number 116115. It had a banking licence and operated under the banking regime supporting the creation and management of personal wealth by giving customers the ability to research, buy and sell a wide range of investments through a range of financial products including Self Invested Personal Pensions (SIPPs), Individual Savings Accounts (ISAs) and Investment Dealing Accounts (IDAs).

In 2019 the Company's Advised and Partnership customers were sold to Embark Investment Services Limited (Embark) and the final clients were transferred to Embark in January 2021, realising a gain on disposal of £1.6m to the Statement of Comprehensive Income. Subsequently, the Company's banking regulatory permissions were rescinded on 26th April 2021 and the Company commenced a process to wind down.

In readying the business for wind down, the Company reduced its share capital to £1 and paid a dividend to its equity shareholders of £28m. In January 2021, the Company transferred its subsidiary Alliance Trust Savings Nominee Limited to Interactive Investor Services Limited, which is also part of the ii Group.

Following cessation of business activities in early 2021, the Company had no employees from May onwards.

RESULTS AND DIVIDENDS

The results for the year are set out on page 4.

During the year, interim dividend of £28m was paid to the equity shareholders (2020: Nil).

ALLIANCE TRUST SAVINGS LIMITED

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

DIRECTORS

The Directors who served during the year were:

Richard Wilson
Barry Bicknell

GOING CONCERN

Given the decision to wind down the Company's activities, it is no longer appropriate to prepare the financial statements on a going concern basis.

FUTURE DEVELOPMENTS

Following the decision to wind down the Company's activities, it is the Directors intention to proceed with a solvent liquidation.

SUBSEQUENT EVENTS

On 2nd December, the shareholders of ii Group agreed to sell the ii Group to abrdn plc ("abrdn"), one of the largest European investment and wealth managers and the transaction received approval from abrdn's shareholders on 15th March 2022 and received approval from the Financial Conduct Authority on 28th April 2022. The transaction was completed in May 2022.

There have been no other significant events between 31 December 2021 and the date of approval of the financial statements which would require a change or additional disclosure in the financial statements.

ALLIANCE TRUST SAVINGS LIMITED

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

DIRECTORS' RESPONSIBILITIES STATEMENT

The Directors are responsible for preparing the Directors' report and the financial statements (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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including Financial Reporting Standard 102 "The Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102)".

Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards including FRS 102 have been followed; 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'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.

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



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Barry Bicknell
Chief Financial Officer
Date: 11 August 2022

ALLIANCE TRUST SAVINGS LIMITED

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

STATEMENT OF COMPREHENSIVE INCOME

		Year ended 31 December 2021	Year ended 31 December 2020
		£'000	£'000
	Notes		
Interest receivable	7	40	1,227
Interest payable		(9)	(52)
Net interest income		31	1,175
Savings and pension plan income	3	505	9,832
Other income		3	2,832
Operating income		539	13,839
Administrative expenses	4	(1,464)	(25,662)
Gain on disposal of book of business	4	1,587	4,500
Operating profit/(loss) on ordinary activities before taxation		662	(7,323)
Taxation	8	-	-
Profit/(loss) for the year		662	(7,323)
Total comprehensive income/(loss) for the year		662	(7,323)

The accompanying notes form part of these financial statements.

ALLIANCE TRUST SAVINGS LIMITED

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

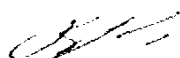
BALANCE SHEET

		As at 31 December 2021	As at 31 December 2020
		£'000	£'000
	Notes		
Fixed assets			
Intangible fixed assets	9	-	2,913
Tangible fixed assets	10	-	-
		-	2,913
Current assets			
Cash at bank and balances with the Bank of England	11	673	241,325
Debtors	13	76	3,969
Total assets		749	248,207
Current liabilities			
Creditors	14	-	220,120
Net assets		749	28,087
Capital and reserves			
Called up share capital	15	-	107,941
Retained earnings		749	(79,854)
Total shareholders' funds		749	28,087

The Company has taken advantage of the audit exemption set out within section 479A of the Companies Act 2006 for the year ended 31 December 2021.

The accompanying notes form part of these financial statements.

The financial statements of Alliance Trust Savings Limited (registered number SC98767) were authorised for issued, approved by the Board and signed on its behalf by:



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Barry Bicknell
Chief Financial Officer
Date: 11 August

ALLIANCE TRUST SAVINGS LIMITED

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

STATEMENT OF CHANGES IN EQUITY

		Called up share capital	Retained earnings	Total Shareholders' funds
		£'000	£'000	£'000
	Notes			
At 1 January 2020		107,941	(72,531)	35,410
Loss for the year		-	(7,323)	(7,323)
Other comprehensive income for the year		-	-	-
At 31 December 2020		107,941	(79,854)	28,087
Profit and total comprehensive income for the year		-	662	662
Transfer of share capital to retained earnings	15	(107,941)	107,941	-
Dividend paid		-	(28,000)	(28,000)
At 31 December 2021		-	749	749

ALLIANCE TRUST SAVINGS LIMITED

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

1. ACCOUNTING POLICIES

General information

Alliance Trust Savings Limited ('the Company') is a private limited company limited by shares and is registered and incorporated in Scotland. The address of its registered office is C/O Burness Paull LLP, 50 Lothian Road, Festival Square, Edinburgh EH3 9WJ. The Company is a wholly owned subsidiary of Interactive Investor Limited.

The financial statements are prepared in Pound Sterling which is the functional currency of the Company.

Basis of preparation of financial statements and statement of compliance

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost convention. The financial statements of the Company are prepared in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom and Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102"), applying section 1A small entities as issued by the Financial Reporting Council in September 2015.

As permitted by FRS 102, the Company has taken advantage of the disclosure exemptions available under that standard in relation to presentation of comparative information in respect of certain assets, presentation of a cash-flow statement, standards not yet effective, and related party transactions.

Where relevant, equivalent disclosures have been given in the group financial statements of Interactive Investor Limited, and copies of the group financial statements may be obtained from:

Interactive Investor Limited
201 Deansgate
Manchester
M3 3NW

Summary of significant accounting policies

The principal accounting policies are summarised below. They have been applied consistently throughout the current year and the preceding year, with the exception of accounting for debt securities some of which have been included at the Balance Sheet at fair value as a result of the financial statements being prepared on a basis other than going concern.

Going concern

As reported in the Directors Report, the Directors have taken the decision to wind down the activities of the Company and consequently it is no longer appropriate to adopt the going concern basis of accounting in preparing the annual financial statements.

After reviewing forecasts of reasonably expected profits and cash flows, the Directors believe that the Company is able to meet all current and anticipated liabilities as they fall due whilst the wind-down is in progress.

Income

Savings and pension plan income primarily comprise i) financial services fees that are earned as services are provided, which include, for example, periodic account fees where income is recognised as the service is performed using the percentage of completion method and ii) financial services fees that are earned on the execution of a significant act, which include fees received on the execution of a trade on behalf of a client where income is recognised when the significant act is performed. Annual, quarterly and inclusive product account fees are accounted for on a time apportioned basis.

1. ACCOUNTING POLICIES (CONTINUED)

ALLIANCE TRUST SAVINGS LIMITED

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

Other income

Other income in 2020 includes gains on disposal of treasury gilts and monthly consideration pursuant to the migrations of the Advised and Partnerships customers.

Interest

Interest income is recognised in the Statement of Comprehensive Income as it accrues.

Debt securities

Debt securities with fixed maturity dates are initially included in the Balance Sheet at a cost adjusted valuation for the amortisation of premiums or discounts arising on purchase which are taken to interest receivable in the Statement of Comprehensive Income, over the period to redemption. The shorter term debt securities continue to be held at their amortised cost. Debt securities can be used as both a source of regulatory liquidity and as a source of income. They are purchased with the intention of being held to maturity. Where securities are sold before the maturity date any gain or loss on sale is recognised and noted separately in the Statement of Comprehensive Income. In accordance with UK GAAP, a provision will be made for any impairment.

Current tax

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the Balance Sheet date.

Deferred taxation

Deferred tax arises from timing differences between taxable profits and total comprehensive income as stated in the financial statements. These timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax is recognised on all timing differences at the reporting date apart from specific exceptions. Unrelieved tax losses and other deferred tax assets are only recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

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

Deferred tax assets and liabilities are undiscounted under FRS 102.

Intangible fixed assets and amortisation

Intangible fixed assets now comprise purely the Partnership book of business. This is stated at cost less amortisation and any recognised impairment loss. Amortisation is used to write off the cost of intangible fixed assets by equal instalments over their useful economic lives from the month after purchase or completion. Management assess at each reporting date whether there is any indication that an asset may be impaired and if so an estimate of the recoverable amount will be made.

The amortisation rate applied to the book of business is such as to write off the cost over the estimated useful life of 10 years.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation and any recognised impairment losses. They are depreciated so as to write off the cost of each asset over its estimated useful economic life.

Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

1. ACCOUNTING POLICIES (CONTINUED)

ALLIANCE TRUST SAVINGS LIMITED

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

Computer equipment - 3 years

Tangible assets are derecognised on disposal or when no future economic benefits are expected. On disposal, the difference between the net disposal proceeds and the carrying amount is recognised in the Statement of Comprehensive Income and included within the operating profit.

Operating leased assets

Leases that do not transfer all the risks and rewards of ownership are classified as operating leases. Payments under operating leases are charged to the Statement of Comprehensive Income on a straight-line basis over the period of the lease.

Impairment of non-financial assets

At each Balance Sheet date non-financial assets not carried at fair value are assessed to determine whether there is an indication that the asset (or asset's cash generating unit) may be impaired. If there is such an indication the recoverable amount of the asset (or asset's cash generating unit) is compared to the carrying amount of the asset (or asset's cash generating unit).

The recoverable amount of the asset (or asset's cash generating unit) is the higher of the fair value less costs to sell and value in use. Value in use is defined as the present value of the future pre-tax and interest cash flows obtainable as a result of the asset's (or asset's cash generating unit) continued use. The pre-tax and interest cash flows are discounted using a pre-tax discount rate that represents the current market risk free rate and the risks inherent in the asset.

If the recoverable amount of the asset (or asset's cash generating unit) is estimated to be lower than the carrying amount, the carrying amount is reduced to its recoverable amount. An impairment loss is recognised in the Statement of Comprehensive Income, unless the asset has been revalued when the amount is recognised in other comprehensive income to the extent of any previously recognised revaluation. Thereafter any excess is recognised in the Statement of Comprehensive Income.

If an impairment loss subsequently reverses, the carrying amount of the asset (or asset's cash generating unit) is increased to the revised estimate of its recoverable amount, but only to the extent that the revised carrying amount does not exceed the carrying amount that would have been determined (net of depreciation or amortisation) had no impairment loss been recognised in prior periods. A reversal of an impairment loss is recognised in the Statement of Comprehensive Income.

Foreign currency

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the Balance Sheet date are reported at the rates of exchange prevailing at that date.

Financial Instruments

The Company has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments.

(a) Financial assets

Basic financial assets, including debtors and cash and bank balances, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Such assets are subsequently carried at amortised cost using the effective interest method.

1. ACCOUNTING POLICIES (CONTINUED)

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at

ALLIANCE TRUST SAVINGS LIMITED

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

the asset's original effective interest rate. The impairment loss is recognised in the Statement of Comprehensive Income immediately.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in the Statement of Comprehensive Income immediately.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

(b) Financial liabilities

Basic financial liabilities, including customer deposits, trade and other payables, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

(c) Offsetting

Financial assets and liabilities are offset and the net amounts presented in the financial statements 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.

Cash and cash equivalents

Cash and cash equivalents include deposits held on demand with banks (including the Bank of England) and other short-term highly liquid investments with original maturities of three months or less.

ALLIANCE TRUST SAVINGS LIMITED

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

1. ACCOUNTING POLICIES (CONTINUED)

Employee benefits

The Company provides a range of benefits to employees, including paid holiday arrangements and defined contribution pension plans:

(a) Short term benefits

Short term benefits, including holiday pay and other similar non-monetary benefits, are recognised as an expense in the period in which the service is received.

(b) Pensions

From 1 January 2016 all staff have been employed directly by Alliance Trust Savings Limited, since which time the Company has made payments to relevant staff under a defined contribution pension arrangement.

2. CRITICAL JUDGEMENTS AND ESTIMATES IN APPLYING ACCOUNTING POLICIES

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are continually evaluated and are based on historical experience and other factors. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

In preparing these financial statements, there were no areas where judgements, estimates and assumptions had significant impact on amounts reported.

ALLIANCE TRUST SAVINGS LIMITED

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

3. SAVINGS AND PENSION PLAN INCOME

	Year ended 31 December 2021	Year ended 31 December 2020
	£'000	£'000
Fees earned as services are provided	31	3,791
Transaction fees earned on the execution of client instructions	474	6,041
	505	9,832

4. PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION

Profit/(loss) on ordinary activities before taxation is stated after:

		Year ended 31 December 2021	Year ended 31 December 2020
		£'000	£'000
Depreciation of tangible fixed assets	Note 10	-	(13)
Amortisation of intangible fixed assets	9	-	(544)
Onerous contracts cost	17	-	(1,312)
Gain on disposal		1,587	4,500

The gain on disposal relates to the sale of the Advised business to Embark.

The charges for depreciation of tangible fixed assets and amortisation of intangible fixed assets are included in the administrative expenses line item in the Statement of Comprehensive Income in the prior year. The onerous contracts cost reflects the unavoidable costs of meeting obligations under a number of existing material contracts which exceed the economic benefits expected to be received under those contracts.

5. AUDITOR'S REMUNERATION

	Year ended 31 December 2021	Year ended 31 December 2020
	£'000	£'000
Fees for audit of Company's financial statements	-	74
Fees for audit-related assurance services	-	71
	-	145

The Company took advantage of the audit exemption set out within section 479A of the Companies Act 2006 for the year ended 31 December 2021

Prior year audit related assurance services were in relation to the provision of a Client Assets Report to the Financial Conduct Authority.

ALLIANCE TRUST SAVINGS LIMITED

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

6. STAFF COSTS

Staff costs were as follows:

	Year ended 31 December 2021	Year ended 31 December 2020
	£'000	£'000
Wages and salaries	843	7,918
Social security costs	8	451
Defined contribution arrangement pension costs	151	867
	1,002	9,236

From May 2021 onwards, the Company had no employees. During the year, the average monthly number of employees, including the Directors, was 32 (2020: 198).

DIRECTORS' REMUNERATION

	Year ended 31 December 2021	Year ended 31 December 2020
	£'000	£'000
Directors' emoluments	-	187
Defined contribution pension payments	-	-
	-	187

The aggregate of emoluments of the highest paid Director in prior year was £65k and the Company made Nil defined contribution pension payments on their behalf (2020: Nil).

Retirement benefits for the defined benefit scheme are not accruing for any Directors (2020: Nil).

7. INTEREST RECEIVABLE

	Year ended 31 December 2021	Year ended 31 December 2020
	£'000	£'000
Certificates of Deposit / UK Government Securities	21	372
Balances with the Bank of England	19	855
	40	1,227

ALLIANCE TRUST SAVINGS LIMITED

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

8. TAXATION

a) Tax on (loss)/profit on ordinary activities

	Year ended 31 December 2021	Year ended 31 December 2020
	£'000	£'000
<i>Current tax:</i>		
Current tax on profit/(loss) for the year	-	-
Adjustments in respect of prior years	-	-
Total current tax benefit/(charge) - P&L	-	-

b) Factors affecting tax charge for the year

The tax assessed for 2021 continues to be lower than the standard rate of corporation tax in the UK of 19% (2020: 19%). The differences are reconciled below:

	Year ended 31 December 2021	Year ended 31 December 2020
	£'000	£'000
Profit/(loss) for the year	662	(7,323)
Tax on the profit/(loss) at standard UK rate of 19% (2020: 19%)	(126)	1,391
Effects of:		
Expenses not deductible	-	(101)
Allowable intangible fixed asset adjustment	515	1,283
Group relief	(620)	-
Amounts not recognised	231	(2,573)
Tax benefit/(charge) for the year	-	-

c) Factors that may affect the future tax charge

In the Spring Budget 2021, the government announced that from 1 April 2023 the headline corporation tax rate will increase to 25%. The proposal to increase the rate to 25% has been substantively enacted at the company's balance sheet date, therefore its effects, where applicable, have been included in these financial statements.

ALLIANCE TRUST SAVINGS LIMITED

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

9. INTANGIBLE FIXED ASSETS

	Book of business
	£'000
Cost	
At 1 January 2021	10,048
Disposal	(10,048)
At 31 December 2021	-
Amortisation	
At 1 January 2021	7,135
Disposal	(7,135)
At 31 December 2021	-
Net book value	
At 31 December 2020	2,913
At 31 December 2021	-

ALLIANCE TRUST SAVINGS LIMITED

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

10. TANGIBLE FIXED ASSETS

	Computer equipment
	£'000
Cost	
At 1 January 2021	427
De-recognition of asset	(427)
At 31 December 2021	-
Depreciation	
At 1 January 2021	427
De-recognition of asset	(427)
At 31 December 2021	-
Net book value	
At 31 December 2020	-
At 31 December 2021	-

ALLIANCE TRUST SAVINGS LIMITED

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

11. CASH AT BANK AND BALANCES WITH THE BANK OF ENGLAND

	As at 31 December 2021	As at 31 December 2020
	£'000	£'000
Cash at bank	673	48,475
Balances held with the Bank of England	-	192,850
	<u>673</u>	<u>241,325</u>

12. DEBT SECURITIES

	Year ended 31 December 2021	Year ended 31 December 2020
	£'000	£'000
Amortised cost at the start of the year	-	126,423
Redemptions	-	(126,567)
Fair value adjustment	-	144
Amortised cost at the end of the year	<u>-</u>	<u>-</u>

At 31 December 2020 the Company held UK Government Securities with a cost value of £NIL and market value of £NIL.

13. DEBTORS:

Amounts falling due within one year

	Year ended 31 December 2021	Year ended 31 December 2020
	£'000	£'000
Sundry debtors	76	392
Settlement debtors	-	3,170
Prepayments and accrued income	-	407
	<u>76</u>	<u>3,969</u>

ALLIANCE TRUST SAVINGS LIMITED

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

14. CREDITORS:

Amounts falling due within one year

	Year ended 31 December 2021	Year ended 31 December 2020
	£'000	£'000
Customer deposits		203,493
Settlement creditors	-	3,607
Provisions for other liabilities	-	2,673
Sundry creditors	-	4,280
Accruals and deferred income	-	6,067
	-	220,120

Prior year accruals and deferred income included £4.5m in relation to the sale of the Partnerships business.

15. SHARE CAPITAL

	Number	£
Allotted, called up, issued and fully paid		
At 31 December 2020	107,941,000	107,941,000
At 31 December 2021	1	1

There is a single class of ordinary shares. There are no restrictions on the distribution of dividends and the repayment of capital.

During the year ended 2021, the Company reduced its share capital to £1 in readying it for wind down.

16. CONTINGENT LIABILITIES

The Directors have assess all legal claims and actions against the Company and accrue associated taxation and costs in respect of these claims, including legal costs, which represent the Directors' best estimate of the potential exposure to the Company. These are included within notes 14 and 17. Where the likelihood of success of claims or actions against the Company has been assessed by the Directors to be remote, or if there is insufficient evidence to allow a claim to be quantified, no provision is recognised.

Following their assessment of the claims and actions made against the Company, it is the opinion of the Directors that as at 31 December 2021, there is no contingent liability. In 2020 there was one contingent liability totalling £89k relating to employment matters. The Company believed that it is possible, but not probable, that the claim would succeed and accordingly no provision for any liability was made in these financial statements, and it is not practicable to state the timing of any payments.

ALLIANCE TRUST SAVINGS LIMITED

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

17. PROVISIONS FOR OTHER LIABILITIES

The Company had the following provisions during the year:

	Client and other claims	Onerous contract	Total
	£'000	£'000	£'000
As at 1 January 2021	255	2,418	2,673
Released or utilised during the year	(255)	(2,418)	(2,673)
As at 31 December 2021	-	-	-

Provision for client and other claims

As at 31 December 2020, a provision was recognised in respect of potential client claims arising from matters which detriment clients. Client claims can arise as a result of a client complaint, legal or regulatory action and incorporate all estimated costs to settle the claim. Other claims include amounts arise in the ordinary course of the Company's business. During 2021, the provision was utilised or released.

Onerous Contracts

As at 31 December 2020, it was management's intention to migrate or exit remaining customers, decommission the existing platforms and serve notice on all suppliers' contracts when appropriate to do so. The unavoidable costs of meeting obligations under a number of existing material contracts exceeded the economic benefits expected to be received under those contracts and were therefore provided for. During 2021, the provision was utilised or released.

ALLIANCE TRUST SAVINGS LIMITED

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

18. FINANCIAL INSTRUMENTS

The current assets/ liabilities on the balance sheet are debt instruments measured at amortised cost and the carrying amount is considered to be the fair value at both the 2021 and 2020 reporting date.

Financial Assets that are debt instruments measured at amortised cost

(a) Classification of financial assets that are debt instruments measured at amortised cost

Cash and cash equivalents include UK Government Securities, Cash at Bank and balances with the Bank of England, being short-term highly liquid investments, where original maturities are three months or less.

Debtors include settlement debtors arising out of the normal operations of the business of the Company. Other debtors include other short term receivables i.e. prepayments and accrued income. Other receivables generally arise from transactions outside the usual operating activities of the Company. They represent undiscounted amounts of cash expected to be received (within a year).

(b) Fair values of financial assets that are debt instruments measured at amortised cost

As shown above, the carrying amounts of financial assets and liabilities measured at amortised cost are assumed to be the same as their fair values due to their short-term nature except where noted.

Fair value methodology

The carrying amounts of financial assets and liabilities are assumed to be the same as their fair values due to their short-term nature except debt securities. Debt securities have been measured at amortised cost. These assets are considered level 1 as fair values are based entirely on quoted market prices (unadjusted) in an actively traded market for identical assets that the Company has the ability to access.

ALLIANCE TRUST SAVINGS LIMITED

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

19. RELATED PARTY TRANSACTIONS

All Directors and certain senior employees who have authority and responsibility for planning, directing and controlling the activities of the Company and are considered to be key management personnel. Total remuneration in respect of these individuals can be found in note 6.

As a wholly owned subsidiary of Interactive Investor Limited, the Company is exempt from the requirements under Section 33.1A of FRS 102 to disclose transactions with other wholly owned members of the Group.

20. INVESTMENT IN SUBSIDIARY COMPANY

In January 2021, the Company transferred its subsidiary to Interactive Investor Services Limited, also part of the Interactive Investor group.

Detail of the subsidiary company:

Alliance Trust Savings Nominees Limited (SC120563) – limited by guarantee. The subsidiary was 100% owned and registered in Scotland. The registered office is Burness Paull LLP, 50 Lothian Road, Festival Square, Edinburgh, Scotland EH3 9WJ.

21. POST BALANCE SHEET EVENTS

On 2nd December, the shareholders of Interactive Investor agreed to sell the ii Group (in which the Company is a subsidiary) to abrdn plc ("abrdn"), one of the largest European investment and wealth managers and the transaction received approval from abrdn's shareholders on 15th March 2022 and received approval from the Financial Conduct Authority on 28th April 2022. The transaction was completed in May 2022.

There have been no other significant events between 31 December 2021 and the date of approval of the financial statements which would require a change or additional disclosure in the financial statements.

22. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

Interactive Investor Limited is the immediate parent undertaking and is a company registered in England and Wales.

The Company is included within the UK consolidated accounts of Interactive Investor Limited, the largest and smallest parent company preparing consolidated financial statements. Copies can be obtained from 201 Deansgate, Manchester M3 3NW.

The ultimate controlling party of the Company is abrdn plc, registered in Scotland.