Registration number: 10674667

Nevada Investments 1 Limited

Annual Report and Unaudited Financial Statements

for the Year Ended 31 December 2022

Nevada Investments 1 Limited

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Nevada Investments 1 Limited

Company Information

Directors	D C Ross D Cougill
Company secretary	Ardonagh Corporate Secretary Limited
Registered office	2 Minster Court Mincing Lane London EC3R 7PD United Kingdom

Nevada Investments 1 Limited

Strategic Report for the Year Ended 31 December 2022

The directors present their strategic report for the year ended 31 December 2022 for Nevada Investments 1 Limited ("the Company"). The Strategic Report provides a review of the business for the financial year and describes how the directors manage risks. The report outlines the performance of the Company during the financial year and its position at the end of the year. The report discusses the developments that have affected the Company and the main trends and factors that could affect its future. The Company is part of Ardonagh Group Holdings Limited ("the Group").

Principal activity and business review

The principal activity of the Company is that of a non-trading holding company, the Company incurs costs on behalf of the Group and its subsidiary companies and makes recharges to these companies.

The results for the Company show revenue of £539 (2021: £Nil) and loss before tax of £74,125 (2021: profit before tax of £14,625) for the year. At 31 December 2022 the Company had net assets of £9,895,181 (2021: £9,772,071) and net current assets of £827,872 (2021: £704,762). The going concern note (part of accounting policies) on page 11 sets out the reasons why the directors continue to believe that the preparation of the financial statements on a going concern basis is appropriate.

Outlook

The directors do not expect there to be any changes in the nature of the business.

Key performance indicators

The directors of the Group manage the Group's operations on a divisional basis. For this reason, the Company's directors believe that a separate analysis for the Company is not necessary or appropriate for an understanding of the development, performance or position of the business. The development, performance and position of the Group is discussed in the Group's annual report.

A key performance indicator for this company is the carrying value of its investments in subsidiaries. The performance of the subsidiary undertakings will determine whether an impairment to the carrying value is required and this is tested on a regular basis.

There were no impairment charges for the current year. (2021: £Nil).

Principal risks and uncertainties

The Company has a comprehensive strategy for the identification, mitigation and management of risk. A wide-ranging assessment of business risks has been undertaken resulting in the compilation of a risk register. The risk register is subject to discussion at regular Group Risk Management Committee meetings and the Company's ongoing risk management ensures there is appropriate reporting from the business which will highlight changes in risk profile to the Group Risk Management Committee. The risks are managed and monitored to be within the agreed risk appetite. If a risk exceeds appetite, management actions will be put in place to bring it within appetite.

Nevada Investments 1 Limited

Strategic Report for the Year Ended 31 December 2022

The principal risks and their mitigation are as follows:

Financial risk
There is the risk of an adverse impact on business value or earnings capacity as well as the risk of inadequate cash flows to meet financial obligations. These risks are mitigated by proactive management of the business plan, by regular monitoring of cash flows against risk appetite and by a focus on debt collection.

The Company and Group has demonstrated its resilience to economic uncertainties and demonstrated operational and financial resilience in response to a downturn in UK business and customer confidence.

The Company and Group has sufficient liquidity to withstand a period of potential poor trading resulting from a sustained economic decline, although this has not materialised to date and the Group would respond to income *declines by seeking cost savings. The Group had available liquidity of £995.1m at 30 June 2023 and closely* monitors available liquidity on an ongoing basis.

Insurance broking is a resilient and defensive market, which has historically had limited impact from past economic or capital market downturns. Ardonagh is highly diversified and not materially exposed to a single carrier, customer or market sector.

Approved by the Board on 26 September 2023 and signed on its behalf by:

Diane Cougill

D Cougill
Director

Nevada Investments 1 Limited

Directors' Report for the Year Ended 31 December 2022

The directors present their annual report and the unaudited financial statements for the year ended 31 December 2022.

Directors of the Company

The directors, who held office during the year and up to the date of signing, were as follows:

D C Ross

D Cougill

Dividends

The directors have not paid or proposed any dividends in respect of the financial year ended 31 December 2022 (2021: £Nil).

Financial risk management objectives and policies

Details of financial risk management objectives and policies can be found in the Strategic Report within the 'Principal risks and uncertainties' section on page 2.

Future developments

Details of future developments can be found in the Strategic Report within the 'Outlook' section on page 2.

Political donations

The Company has not made any political donations during the year (2021: £Nil).

Subsequent events

Details of subsequent events can be found in the Notes to the financial statements within the 'Subsequent events' section on page 21.

Going concern

The Company's business activities, together with the factors likely to affect its future development are described in the Strategic Report on page 2. The directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for a period of at least twelve months from the date of approval of the financial statements. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements. Further details of this assessment can be found in note 2 to these financial statements.

Directors' indemnities

Directors and Officers of the Company and its subsidiaries benefit from qualifying third-party indemnity provisions in place during the financial period and at the date of this report. The Group had no qualifying pension scheme indemnity provisions for the benefit of one or more directors of the Company, or directors of an associated company.

Approved by the Board on 26 September and signed on its behalf by:

Diane Cougill

D Cougill
Director

Nevada Investments 1 Limited

Statement of Directors' Responsibilities

The directors are responsible for preparing the Strategic Report, 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 101 'Reduced Disclosure Framework'.

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:

- suitable accounting policies and 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'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.

Nevada Investments 1 Limited

Statement of Comprehensive Income for the Year Ended 31 December 2022

	Note	2022 £	2021 £
Revenue		539	-
Operating profit	4	539	-
Finance income	5	-	14,625
Finance costs	6	(74,664)	-
Net finance (cost)/income	6	(74,664)	14,625
(Loss)/profit before tax		(74,125)	14,625
Income tax	9	197,235	16,345
Profit for the year		123,110	30,970

The above results arise from continuing operations. There are no other comprehensive income in the current period or prior period.

The notes on pages 9 to 21 form an integral part of these financial statements.

Nevada Investments 1 Limited

(Registration number: 10674667)
Statement of Financial Position as at 31 December 2022

	Note	2022 £	2021 £
Non-current assets			
Investments in subsidiaries	10	9,067,309	9,067,309
Current assets			
Trade and other receivables	11	827,213	1,001,980
Income tax asset		659	-
Current liabilities			
Trade and other payables	12	-	(220,200)
Income tax liability			(77,018)
		-	(297,218)
Net current assets		827,872	704,762
Total assets less current liabilities		9,895,181	9,772,071
Net assets		9,895,181	9,772,071
Capital and reserves			
Share capital	13	468,542	468,542
Share premium		41,887,923	41,887,923
Retained losses		(32,461,284)	(32,584,394)
Total equity		9,895,181	9,772,071

For the financial year ending 31 December 2022 the Company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

• The members have not required the Company to obtain an audit of its accounts for the year in question in accordance with section 476.

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

Approved by the Board and authorised for issue on 26 September 2023 and signed on its behalf by:

Diane Cougill

D Cougill
Director

The notes on pages 9 to 21 form an integral part of these financial statements.

Nevada Investments 1 Limited

Statement of Changes in Equity for the Year Ended 31 December 2022

	Share capital £	Share premium £	Retained losses £	Total £
At 1 January 2022	468,542	41,887,923	(32,584,394)	9,772,071
Profit for the year	-	-	123,110	123,110
At 31 December 2022	468,542	41,887,923	(32,461,284)	9,895,181

	Share capital £	Share premium £	Retained losses £	Total £
At 1 January 2021	468,542	41,887,923	(32,615,364)	9,741,101
Profit for the year	-	-	30,970	30,970
At 31 December 2021	468,542	41,887,923	(32,584,394)	9,772,071

The notes on pages 9 to 21 form an integral part of these financial statements.

1 General information

The Company is a private company limited by share capital that is incorporated and registered in England, United Kingdom. The details of the Company's registered office address can be found on page 1. The principal activity of the Company is disclosed on page 2 within the 'Strategic Report' section.

The financial statements for the year ended 31 December 2022 were authorised for issue by the board on 26 September 2023 and the Statement of Financial Position was signed on the board's behalf by D Cougill.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

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

These financial statements were prepared in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework'.

The financial statements are presented in GBP sterling (£), which is also the Company's functional currency. Amounts shown are rounded to the nearest pound, unless stated otherwise.

These financial statements have been prepared under the historical cost convention, as modified to use a different measurement basis where necessary to comply with FRS 101.

As a wholly owned subsidiary of Ardonagh Group Holdings Limited ("AGHL") at 31 December 2022, the Company has taken advantage of the exemption under section 400 of the Companies Act 2006 not to prepare group accounts, and its results are included in the consolidated accounts of its ultimate parent for the year ended 31 December 2022. The previous holding company of the Company was The Ardonagh Group Ltd ("TAGL").

There are no new standards, amendments or interpretations which are effective in 2022 and that are expected to materially impact the Company's financial statements.

Summary of disclosure exemptions

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the UK ("UK-adopted IFRS"), but makes amendments where necessary in order to comply with Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

In these financial statements, the Company has taken advantage of the following disclosure exemptions under FRS 101, where relevant:

2 Accounting policies (continued)

- the requirements of paragraphs 45(b) and 46 to 52 of IFRS 2 Share-based Payment concerning details of the number and weighted average exercise price of share options and how the fair value of goods or services received was determined;
- the requirements of paragraphs 62, B64(d), B64(e), B64(g), B64(h), B64(j) to B64(m), B64(n)(ii), B64(o)(ii), B64(p), B64 (q)(ii), B66 and B67 of IFRS 3 Business Combinations, which includes among other exemptions the requirement to include a comparative period reconciliation for goodwill;
- the requirements of IFRS 7 Financial Instruments: Disclosures and of paragraphs 91-99 of IFRS 13 Fair Value Measurement;
- the requirements of the second sentence of paragraph 110 and paragraphs 113(a), 114, 115, 118, 119(a) to (c), 120 to 127 and 129 of IFRS 15 Revenue from Contracts with Customers;
- the requirements of paragraph 52, the second sentence of paragraph 89, and paragraphs 90, 91 and 93 of IFRS 16 Leases;
- the requirement in paragraph 38 of IAS 1 Presentation of Financial Statements to provide comparative period reconciliations in respect of outstanding shares, property, plant and equipment and intangible assets;
- the requirements in paragraph 10(d) and 111 of IAS 1 Presentation of Financial Statements to prepare a Cash flow statement and the requirements in IAS 7 Statement of Cash Flows regarding the same;
- the requirements of paragraphs 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D, 111 and 134 to 136 of IAS 1 Presentation of Financial Statements;
- the requirements of paragraphs 30 and 31 in IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors regarding disclosure of new IFRS standards not yet effective at the reporting date and their potential impact;
- the requirements in paragraphs 17 and 18A of IAS 24 Related Party Disclosures and the requirements in IAS 24 to disclose related party transactions entered into between two or more members of the Group, provided that any subsidiary which is party to the transaction is wholly owned by such a member;
- the requirements of paragraphs 130(f)(ii) -(iii), 134(d) - 134(f) and 135(c) - 135(e) of IAS 36 Impairment of Assets in respect of disclosure of valuation techniques, assumptions on which projections used in the impairment review are based and sensitivity analysis.

Equivalent disclosures are included in the Group's consolidated financial statements, as required by FRS 101 where exemptions have been applied.

Judgements made by the directors in the application of these accounting policies that have a significant effect on the financial statements, and estimates with a significant risk of material adjustment in the next year, are discussed in the Critical accounting judgements and key sources of estimation uncertainty disclosure on page 16.

2 Accounting policies (continued)

Going Concern
The financial statements of the Company have been prepared on a going concern basis. At 31 December 2022 the Company had net assets of £9,895,181 (2021: £9,772,071) and net current assets of £827,872 (2021: £704,762). The net current assets include amounts receivable from related parties of £648,783 (2021: £842,300) and amounts due to related parties of £Nil (2021: £220,200). The Company reported a loss before tax of £74,125 (2021: profit before tax of £14,625).

The directors have assessed the Group's financial position and its ability to meet its obligations as and when they fall due. In making the going concern assessment the directors have taken into account the following assessment of the Group:

- The Group and Company's capital structure, operations and liquidity.
- Base case and stressed cash flow forecasts over the calendar years 2023 and 2024.
- The impact on the base case and stressed cashflow forecasts arising from subsequent material acquisitions.
- The principal risks facing the Group and Company and its systems of risk management and internal control.
- The Group and Company's capital management, among other things, aims to ensure that it meets financial covenants attached to its interest-bearing loans and borrowings. There have been no breaches of the financial covenants of any interest-bearing loans and borrowing in the current period.
- Actual trading and cashflows of the Company and Group, including those of the group of companies previously owned by TAGL.

Key assumptions that the directors have made in preparing the base case cash flow forecasts are that:

- The Group and Company will continue to benefit from a £191.5m Revolving Credit Facility that is not drawn at the date of this report. In addition to this, net equity proceeds of GBP 134.9m were received in January 2023 and GBP 187.4m in March 2023 from the Group's ultimate shareholder.
- Client retention and renewal rates remain robust, despite the current economic uncertainty, as the 2023 trading performance continues to demonstrate resilience across the Group, including that of the group of companies previously owned by TAGL.
- Interest costs should be modelled using current forward interest rates and current FX rates (other than where interest rates on debt have been fixed through interest rate swaps).

2 Accounting policies (continued)

Key stress scenarios that the directors have considered include cumulative stresses to the base plan as a result of:

- Shortfalls in base case projected income throughout 2023 and 2024.
- Deterioration in base case cash conversion rates over and above the shortfalls in income.
- An inflationary cost increase of 2% over the base case assumptions.
- Additional interest costs on the term and CAR debt facilities based on forward interest rate expectations
- Mitigating actions within management control including delayed capital expenditure, a reduction in discretionary spend and measured reductions in employee headcount and remuneration.

The directors have also modelled reverse stress scenarios, including assessing those that result in a default on the Group's term debt facilities that would require a technical repayment obligation and those that would exhaust available liquidity. The stresses needed for these outcomes to happen significantly exceed the key stress scenarios above and the directors consider such conditions to be a remote possibility. Other mitigations which may be possible in the stress scenarios but have not been included in the analysis include seeking shareholder support, securitising premium receivables and further incremental and more prolonged cost reductions.

The directors continue to consider the wider operational and financial consequences and ramifications of global political and economic tensions (including related to the Ukrainian conflict, foreign exchange rates, inflation and increasing interest rates). In particular:

- Insurance broking is a resilient and defensive market, which has historically had limited impact from past economic or capital market downturns. The Group is highly diversified and not unduly exposed to a single carrier, customer or market sector.
- Although economic developments remain fluid, the stress testing demonstrates the Group and Company's financial resilience and operating flexibility.
- As a result of Russia invading Ukraine, we have seen significant new sanctions legislation from a range of legislators (including the US, EU and UK), with newly sanctioned entities and individuals, and new (or wider in scope) sectoral sanctions targeting Russia (and Belarus). The Ardonagh Group has no appetite for potential breaches of applicable sanctions regimes and applies appropriate controls including automated screening of clients against relevant sanctions lists. We continue to actively monitor the situation as it develops and will respond accordingly as new sanctions are enacted.
- The Group and Company continue to monitor the risk of cyberattacks, but the Group and Company has not identified any significant cybersecurity risks during the period ended 31 December 2022.

Following the assessment of the Company and Group's financial position and its ability to meet its obligations as and when they fall due, including the further potential financial implications of economic uncertainty included in stress tests, the directors are not aware of any material uncertainties that cast significant doubt on the Company's ability to continue as a going concern.

2 Accounting policies (continued)

Investments in subsidiaries
A subsidiary is an entity over which the Company has control. The Company controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Investments in subsidiaries are accounted for at cost less, where appropriate, impairment.

Impairment of investment
The carrying amount of the Company's assets are reviewed for impairment when events or changes in circumstances indicate that the carrying amount of the investment may not be recoverable. If any such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. Impairment losses are recognised in the Statement of Comprehensive Income.

Calculation of recoverable amount
An impairment test of an asset is performed by comparing its carrying amount with its recoverable amount. The recoverable amount is the higher of its fair value less costs of disposal and its value in use, where its value in use is the present value of its future cash flows. An impairment test requires the application of significant judgement because it relies on key assumptions, including forecast cash flows, a discount rate, a terminal growth rate and an EBITDA multiple.

Impairment of assets

The fair value of the Company was calculated based on multiples of Adjusted EBITDA and on information provided by external advisors, where that information is based on recent transactions in the insurance broking industry. Furthermore, the Company's fair value has also been considered using the fair value of the division based on value in use of each Group division.

Financial instruments

Recognition and initial measurement
Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the financial instrument, and they are measured initially at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in Statement of Comprehensive Income.

2 Accounting policies (continued)

Derecognition

Financial assets

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or the Company transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in the Statement of Comprehensive Income.

On derecognition of an investment in an equity instrument which the Company has elected on initial recognition to measure at fair value through other comprehensive income, the cumulative gain or loss previously accumulated in the investment revaluation reserve is not reclassified to the Statement of Comprehensive Income, but is transferred to retained earnings.

Financial liabilities

A financial liability is derecognised when it is extinguished, discharged, cancelled or expires. The difference between the carrying value of the original financial liability and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability.

Impairment of financial assets

The Company assesses, on a forward-looking basis, the expected credit losses (ECL) associated with its financial assets carried at amortised cost. The Company recognises a loss allowance for such losses at each reporting date.

The Company recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. If, on the other hand, the credit risk on the financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12 months ECL.

The Company assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date. A financial instrument is determined to have low credit risk if i) the financial instrument has a low risk of default, ii) the borrower has a strong capacity to meet its contractual cash flow obligations in the near term, and iii) adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

2 Accounting policies (continued)

All cash and cash equivalents are assessed to have low credit risk at each reporting date as they are held with reputable banks and financial institution counterparties with, wherever possible, a minimum single A credit rating from both Moody's and S&P. The Company measures the loss allowance for such assets at an amount equal to 12 months ECL. ECL is estimated as the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive, discounted at the original effective interest rate.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. 12 months ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

Lifetime ECL is measured on a collective basis to cater for cases where evidence of significant increases in credit risk at the individual instrument level may not yet be available.

Taxation

The tax expense for the period comprises current and deferred tax. Income tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income. Similarly, income tax is recognised directly to equity if it relates to items that are recognised directly to equity.

Current tax

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

Deferred tax

Deferred tax is recognised in respect of taxable temporary differences at the reporting date (except in relation to goodwill or a transaction which is not a business combination and does not affect profit nor taxable profit). Deferred tax assets are only recognised to the extent that it is probable they will be recovered against the reversal of deferred tax liabilities or against future taxable profits. Deferred tax assets and deferred tax liabilities are only offset if there is a legally enforceable right to set off current tax assets against current tax liabilities, and if they relate to income taxes levied by the same taxation authority on the same taxable entity or on different taxable entities which intend to settle current tax liabilities and assets on a net basis or to realise the assets and settle the liabilities simultaneously.

Finance income and costs policy

The Company's finance income and finance costs include:
• interest income; and
• interest expense

Interest income and expense are recognised using the effective interest method for debt instruments classified as amortised cost.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

3 Critical accounting judgements and key sources of estimation uncertainty

Estimates and judgements used in preparing the financial statements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable. The resulting accounting estimates will, by definition, seldom equal the related actual results.

The Directors consider that there are no significant judgements or significant sources of estimation uncertainty in preparation of the financial statements.

4 Operating loss

For the year ended 31 December 2022, the Company has taken the exemption under s479 of the Companies Act 2006 from the requirement to obtain an audit of their separate financial statements. The guarantee of the outstanding liabilities as at 31 December 2022 has been provided by Ardonagh Midco 2 plc, a fellow Group company. As a result, no audit fee has been incurred in the current year (2021: £Nil).

5 Finance income

	2022 £	2021 £
Finance income		
Loan interest	-	14,625

Loan interest income represents interest calculated on a £0.8m loan to related party management, payable at a rate of 3% per annum.

6 Finance costs

	2022 £	2021 £
Other finance costs	71,198	-
Interest on overdue tax	3,466	-
	74,664	-

Other finance costs represents write-off of remaining loan balance to related party management and interest thereon. These loans were fully repaid in June 2022.

7 Staff costs

The Company had no employees in the current year or the preceding year. All administration is performed by employees of the Group, for which no recharge is made to the Company.

8 Directors' remuneration

The emoluments of all directors are paid by other Group companies, which make no recharge to the Company. These directors are directors of Ardonagh Group Holdings Limited and other fellow subsidiaries for the year ended 31 December 2022. Their total emoluments are included in the consolidated financial statements of Ardonagh Group Holdings Limited. It is impracticable to determine the proportionate amount of emoluments relating to Nevada Investments 1 Limited.

9 Income tax

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

	2022 £	2021 £
Current taxation		
UK corporation tax	(14,084)	2,779
Adjustments in respect of prior periods	(183,151)	(19,124)
Total current taxation	(197,235)	(16,345)
Deferred taxation		
Origination and reversal of temporary differences	-	-
Adjustments in respect of prior periods	-	-
Effect of tax rate change on opening balances	-	-
Total deferred taxation	-	-
Tax credit in the Statement of Comprehensive Income	(197,235)	(16,345)

9 Income tax (continued)

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

	2022 £	2021 £
(Loss)/profit before tax	(74,125)	14,625
Corporation tax at standard rate at 19% (2021: 19%)	(14,084)	2,779
Adjustments to tax charge in respect of previous periods - current tax	(183,151)	(19,124)
Total tax credit	(197,235)	(16,345)

The UK Corporation Tax Rate will rise from its current rate of 19% to 25% with effect from April 2023.

10 Investments in subsidiaries

	£
Cost or valuation	
At 1 January 2022	41,717,193
At 31 December 2022	41,717,193
Provision for impairment	
At 1 January 2022	32,649,884
At 31 December 2022	32,649,884
Carrying amount	
At 31 December 2022	9,067,309
At 31 December 2021	9,067,309

10 Investments in subsidiaries (continued)

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

Name of subsidiary	Principal activity	Country of incorporation and principal place of business	Proportion of ownership interest and voting rights held 2022	2021
Nevada Investments 2 Limited	Holding company	England	100%	100%
Nevada Investments 3 Limited	Holding company	England	100%	100%
URIS TopCo Limited*	Holding company	England	100%	100%
URIS Central Administration Limited*	Holding company	England	100%	100%

All subsidiaries are indirectly held apart from Nevada Investments 2 Limited.

Unless stated otherwise, the registered office of the subsidiaries detailed below is: 2 Minster Court, Mincing Lane, London, EC3R 7PD.

*Quay Point, Lakeside Boulevard, Doncaster, South Yorkshire, DN4 5PL.

11 Trade and other receivables

	2022 £	2021 £
Amounts receivable from other Group companies	648,783	264,852
Loans to related parties	-	577,448
Other receivables	178,430	159,680
	827,213	1,001,980

The directors believe that the intercompany receivables are recoverable. The balances are unsecured, interest free and repayable on demand.

Loans to related parties were fully repaid, and interest accrued written off in June 2022.

In 2021, loans to related parties were for two loans to related party management which accrued interest at 3% per annum.

12 Trade and other payables

	2022 £	2021 £
Amounts due to other Group companies	-	220,200

Amounts due to other Group companies are unsecured, interest free and payable on demand.

13 Share capital

Allotted and called up shares

	2022		2021	
	No.	£	No.	£
Ordinary shares of £0.01 each	46,854,166	468,542	46,854,166	468,542

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

In May 2020, the 1,500,000 A ordinary shares with a nominal value of £0.04 were replaced by 6,000,000 ordinary shares with a nominal value of £0.01. The B and C ordinary shares were replaced with ordinary shares of the same nominal value.

14 Related party transactions

During the year the Company entered into transactions, in the ordinary course of business, with a number of related parties. The Company has taken the exemption under FRS 101 not to disclose transactions with fellow wholly owned subsidiaries or key management personnel.

15 Parent and ultimate parent undertaking

The immediate parent company of the Company is Nevada Investorco Limited and the ultimate parent company is Tara Topco Limited.

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

2 Minster Court
Mincing Lane
London
EC3R 7PD

16 Subsequent events

The Company performed a review of events subsequent to the balance sheet date through the date the financial statements were issued and determined that there were no such events requiring recognition or disclosure in the financial statements.