

IM Asset Management Limited

MIFIDPRU Disclosure


Data as at 30 April 2023

Date: 8 January 2024
Version: 1.0

Version	Date	Content and reason for changes	Author
1.0	8 January 2024	Disclosure relating to year ended 30 April 2023	Finance Director

☎ 0370 1500 100

🌐 irwinmitchell.com

 irwinmitchell

IM Asset Management Limited is authorised and regulated by the Financial Conduct Authority, FCA
Firm Reference Number 402770 and registered in England and Wales under Company No.05016348.

Table of Contents

1	Introduction.....	1
2	Governance Arrangements.....	2
2.1	Recruitment Policy and Diversity Policy of the management body	3
3	Risk Management	4
3.1	Own funds requirement.....	5
3.2	Concentration risk	6
3.3	Liquidity	7
4	Remuneration.....	8
4.1	Our approach and objectives.....	8
4.2	Governance and decision-making procedures	8
4.3	Key characteristics of remuneration policies and practices.....	8
4.4	Fixed remuneration	9
4.5	Variable remuneration.....	9
4.6	Material risk takers.....	10
4.7	Clawback and malus.....	10
4.8	Quantitative disclosures for the financial year ended 30 April 2023.....	11
	Appendix 1 : Own funds – Composition of regulatory own funds	12
	Appendix 2 : Own funds – Reconciliation of regulatory own funds to balance sheet in the audited financial statements	13
	Appendix 3 : Own funds – Main features of own instruments issued by the Firm	14

1 Introduction

IM Asset Management Limited (“IMAML”, the “Firm” or “we”) is a MIFID investment firm authorised and regulated by the Financial Conduct Authority (FCA). We are required to comply with the disclosure requirements under the Investment Firms Prudential Regime (IFPR), which is set out in the FCA Handbook MIFIDPRU 8. This supersedes the previous Pillar 3 disclosure.

For the purpose of prudential regulations, we are classified as a non-SNI (small and non-interconnected) firm and are subject to the basic and standard requirements. We are required to provide a level of detail in our disclosures that is appropriate to our size and internal organisation, and to the nature, scope, and complexity of our activities.

The following sections of the MIFIDPRU disclosure rules apply to us:

- MIFIDPRU 8.1 – Disclosure
- MIFIDPRU 8.2 – Risk management objectives and policies
- MIFIDPRU 8.3 – Governance arrangements
- MIFIDPRU 8.4 – Own funds
- MIFIDPRU 8.5 – Own funds requirement
- MIFIDPRU 8.6 – Remuneration policy and practices.

2 Governance Arrangements

The Firm's Board of Directors (the "Board") is responsible for the oversight of implementation of the strategic objectives, risk strategy and internal governance arrangements of the Firm. As at 30 April 2023, the Board was composed of five members, including two non-executive directors and three executive directors, being the Chief Executive Officer (CEO), Chief Operating Officer (COO) and the Finance Director (FD). All Senior Manager Functions are allocated amongst the three executive directors apart from the Chair role (SMF 9), allocated to one of the non-executive directors, and the Compliance Officer (SMF16) / Money Laundering Officer (SMF17) roles, allocated to a senior individual within the business. This individual has since been appointed to the Board, in the role of Risk & Compliance Director (RCD), with FCA approval having been granted on 15 December 2023.

As of 30 April 2023, the number of directorships held by each member of the Board is as follows:

Name	Number of Directorship Position Held other than in the Firm		
	Executive	Non-Executive	Total
Simon Andrew Hynes	Nil	3	3
Craig Alexander Marshall	Nil	Nil	Nil
Richard Warren Potts	Nil	Nil	Nil
David James Sollitt	Nil	Nil	Nil
Jonathan Paul Raettig	Nil	Nil	Nil

The above list of directorships excludes:

- Executive and non-executive directorships held in organisations which do not pursue predominantly commercial objectives and
- Executive and non-executive directorships held within the Irwin Mitchell Group, being Irwin Mitchell Holdings Limited, of which the Firm is a subsidiary, and all entities under its ownership or control.

The Board meets at least ten times per year and receives reports on investment, operations, financial, risk, legal and compliance matters. The Board has also delegated certain functions to the following committees:

Committee	Responsibilities
Executive Committee	Ownership and management of risk in the business on a day-to-day basis. It takes a collaborative approach to risk matters, drawing on operational and client service experience and regulatory and risk input from its members in order to develop policies and procedures with a client focus which meet the firm's stated risk appetite; cascading strategy and commercial priorities to the wider business
Investment Committee	Review and challenge the investment process and investment decisions, and adherence of portfolio positions to pre-agreed control ranges

Committee	Responsibilities
Product Committee	To ensure that a system of review and oversight of the products and services offered by the Firm is in place, supporting Consumer Duty principles. This includes the ability to recommend the withdrawal of a product or service, including items that are considered to have resulted in poor customer outcomes or have the potential to cause foreseeable harm to clients
Risk Committee	Oversight of risk collectively and for individual risks within the risk register, including on-going identification, evaluation, monitoring, managing and reporting of the risks recorded in the risk register, but excluding investment risk, which is the remit of the Investment Committee. The Risk Committee meets bi-monthly and is the key body responsible for promoting risk management and embedment of risk management processes
Remuneration Committee	To ensure that remuneration policies and practices are in compliance with FCA regulations whilst aligning with the need to attract and retain quality staff. The committee also considers / approves remuneration recommendations and significant appointment decisions

Due to its size, nature and complexity of the business activities, the Firm does not have a Nomination Committee as part of its governance arrangements nor is required to establish this committee under the requirements as set out in MIFIDPRU 7.1.4 and 7.3.1.

2.1 Recruitment Policy and Diversity Policy of the management body

The Firm, in accordance with the UK Corporate Governance Code, selects and recruits members of the Firm's management body based on merit. When determining the structure of the Firm's management body, the Firm ensures as far as practical that individuals being appointed for these types of roles have the relevant skills, experience and overall, a good mix of skills and experience to carry out the responsibilities of the management body.

Furthermore, before appointment and on a regular basis afterwards rigorous background checks are carried out to ensure individuals of the management body are fit and proper.

The Firm has also implemented a Diversity and Inclusion Policy, of which the objective is to promote equality and fairness to everyone at the Firm. The key principles include:

- Providing an environment where employees are safe and where there are equal opportunities for all to progress their careers within the Firm, regardless of their protected characteristics
- Achieving diversity from all dimensions including building an all-inclusive work environment where all staff whether junior or senior are treated fairly and on merit, regardless of their gender, race, age, disability, marital status, religion, gender identity or sexual orientation.

The Firm has set gender diversity targets, which are to have 30% of senior roles occupied by women by 1 May 2025. This was achieved by 30 April 2022 and continued to be met at 30 April 2023. The Firm's group HR team monitors the Firm's adherence to the Diversity and Inclusion Policy.

3 Risk Management

The Board has the ultimate responsibility for the development of appropriate strategies, systems, and controls for the management of risks within the business.

Approach to risk management

Risk is an inherent part of the Firm's business. The Board recognises the need to understand the risks the Firm faces in its businesses and the industry in which it operates and how to manage them effectively. The role of management is to balance these risks and make the best use of Firm resources, both human and capital, so that the Firm can deliver on its strategy. Firm needs to do this to deliver increased earnings, business performance and shareholder value, at the same time as maintaining its excellent reputation for customer service and operating in line with its values and culture, as well as laws and regulations.

The Firm's risk management framework ("RMF") is embedded and encompasses a number of elements to help Firm manage its risk exposure. The RMF ensures a consistent risk management approach across the Firm.

The framework ensures the risks the business faces are understood and continually managed within the Firm's risk appetite, as well as helping us to consider capital implications when making strategic and operational decisions.

Risk management policy and setting of the risk appetite statement

The Firm has a risk management policy (most recently updated and approved by the Risk Committee in March 2023). This sets out the Firm's risk appetite statement; the three lines of defence model adopted by the Firm; monitoring of risks against appetite and ongoing assessment of risk appetite.

The risk appetite statement is an expression of how much risk the Firm is willing to take. Some risks must be taken, but these should be managed to prevent unnecessary risk taking such as outsourcing business activities or dealing with counterparties. Other risks must be avoided such as foreseeable harm to customers or compliance with regulation.

The risk appetite statement is set by allocating risk scores and tolerances to the following qualitative and quantitative measures: consumer outcomes, the Firm's reputation, regulatory standing, capital adequacy and earnings volatility. Approval is by the Board, via its approval of the risk management policy, which incorporates the risk appetite statement.

Responsibility for risk

The Board is ultimately responsible for management of the company's risks within the risk appetite statement, including setting performance targets and objectives and risk and performance indicators, emanating from the Firm's strategy and business plan. Specifically, the Board is responsible for:

- agreeing and overseeing the implementation of strategy and business planning, including how strategy and business planning feed into the RMF and the Internal Capital Adequacy and Risk Assessment process (ICARA)
- Place consumers at the heart of the business and focus on delivering good client outcomes in line with the FCA principles inclusive of Principle 12, the new Consumer Principle
- oversight of the RMF including adoption of the Risk Management Policy and Risk Appetite Statement
- challenge and approval of the Company's ICARA
- oversight of the operation of the Risk Committee
- reviewing the relevant MI in the light of the risks identified and assessed through the Risk Committee and the RMF processes
- oversight of operation of the Compliance & Risk function as a second line of defence
- sign off of the annual Compliance & Risk plans and
- oversight of the third line of defence functions.

The Risk Committee, which includes four Senior Managers (the CEO, the COO, the FD, and the Risk & Compliance Director), is chaired by a non-executive director and operates under formal terms of reference,

approved by the Board and reviewed at least annually or upon any significant change. The Risk Committee is responsible for oversight of risk collectively and for individual risks, including ongoing identification, monitoring, managing and reporting of the risks recorded in the risk register. The Risk Committee is the key body responsible for promoting risk management and embedding risk management processes across the Firm. Specifically, the Risk Committee monitors and reports to the Board on:

- Top 10 risks;
- Risks outside risk appetite;
- Status of any corrective action plans;
- Risk event trends; and
- Any other risk deemed appropriate

The Board and Risk Committee are supported in implementing the Risk Management Framework by the executive team, the Risk & Compliance team and risk champions within each functional area in the business.

Assessment and monitoring of risk, including risk register

All risk information, including risk events, root cause analysis and mitigation action plans are recorded in a dedicated risk IT system, overseen by the Risk & Compliance team. That same team is also responsible for conducting routine and risk-based monitoring and the assessment of the Firm's systems and controls to ensure compliance with the FCA's requirements. The Firm maintains a Compliance Manual and appropriate policies to facilitate this. Regular monitoring and risk assessments ensure that customers' best interests are at the heart of the business.

A risk register is maintained, in order to provide:

- A mechanism for identifying and assessing new and existing risks
- A methodology for considering individual impacts, probabilities, gross risks, control strengths and resulting net risks on a relative basis
- A tool for the Risk Committee to review, assess, and report to the Board, the impact of risks crystallising
- A means of prioritising outstanding risk related actions, such as strengthening controls or assigning corrective actions and
- A means for reviewing the Firm's understanding of its previously identified risks and assessing the implications of any amendments that have been made to net risk scoring and consequential impacts on risk tolerance, risk appetite and capital allocation.

Each risk in the risk register has been assigned a risk owner and a risk sponsor. The risk owners are responsible for the daily management of their risks, their control and any action plans if a risk is outside appetite. The risk sponsors are the Firm's four executive senior managers, who have responsibility for them under SMCR.

3.1 Own funds requirement

The Firm must, at all times, hold own funds and liquid assets which are adequate, both to their amount and their quality, to ensure that the Firm is able to remain financially viable throughout the economic cycle and be able to address any material potential harm that may result from its going activities; and to ensure that the Firm's business can be wound down in an orderly manner, minimising harm to consumers or to other market participants.

As a result of the introduction of the IFPR, the Firm has conducted and documented its Internal Capital Adequacy and Risk Assessment process (ICARA) to identify whether the Firm complies with the abovementioned overall financial adequacy rule (OFAR). The Firm may hold additional own funds or additional liquid assets above the Firm's own funds requirement or basic liquid assets requirement in accordance with MIFIDPRU 7.6.2 or 7.7.2 to manage the potential harms identified.

The Firm's ICARA is reviewed and approved by the Board at least annually, or more often as deemed appropriate. The Firm also maintains a wind down plan and has assessed the amount of own funds and liquid assets required to support an orderly wind-down of the firm.

As a Non-SNI firm, the Firm is required to maintain an amount of own funds that is the higher of the:

- Permanent minimum capital requirement (PMR)
- Fixed overheads requirement (FOR), which is an amount equal to three months of the firm's relevant expenditure and
- Total K-Factor requirement, which include:
 - **K-AUM**, assets under management
 - **K-CMH**, client money held
 - **K-ASA**, assets safeguarded and administered and
 - **K-COH**, client orders handled.

Given the Firm's activities, the above K-factors represent the main exposures of the Firm, with the following K-factors not applying: K-DTF (daily trading flow), K-NPR, (net position risk); K-CMG (clearing member risk), K-TCD (trading counterparty default risk); and K-CON (concentration risk).

As at 30 April 2023, the Firm's own funds requirements according to MIFIDPRU 4.3 are as follows:

	£ ('000)	
Permanent minimum requirement (PMR)	150	
Fixed Overhead Requirement (FOR)	1,631	
Sum K-factor capital	1,086	Sum of (c1) to (c4)
(c1) K-AUM	272	
(c2) K-CMH	489	
(c3) K-ASA	325	
(c4) K-COH	-	
Own Funds Requirements	1,631	<i>Higher of (a), (b) and (c)</i>

Refer to the Appendix 1 to Appendix 3 for the latest information about the Firm's own funds.

3.2 Concentration risk

Concentration risk is that associated with the firm's exposure to sectoral, geographic and entity or obligor concentrations. Whilst the Firm does not deal on its own account, it is exposed to concentration risk in relation to the location of client money, custody assets, the Firm's own cash deposits and earnings. Although the Firm does not have a risk appetite statement specifically in relation to concentration risk, as a fundamental principle, diversification is sought where appropriate, as follows:

- Client money and the Firm's own money is split across at least two UK-based banks
- Client assets held across a range of custodial arrangements including CREST (UK equities and Gilts), a fund custodian (collectives) or direct with fund manager (collectives)
- The Firm's growth strategy is to offer investment and advice services to the broader Wealth Management market, reducing its existing reliance on providing services to recipients of a Personal Injury award.

3.3 Liquidity

Liquidity risk is the risk of the Firm failing to meet its short-term liabilities as they fall due.

Firms are required to hold an amount of liquid assets equal to one third of their Fixed Overhead Requirement (which, in the case of the Firm, is £1,631k). This basic liquid asset requirement of £544k is made up of approved liquid assets, which comprises at-call cash held at UK credit institutions.

However, the basic liquid asset threshold requirement may not be sufficient in times of financial stress, so the Firm has also considered the higher requirement needed to meet:

- The liquid assets needed at any given point in time to fund ongoing operations as well as to mitigate any adverse trends throughout the economic cycle, or
- The Firm's assessment of liquid assets required in the event of an orderly wind down.

The Firm's liquid asset threshold requirement, which takes these factors into account, is £2,132k.

The Firm's appetite for liquidity risk is as follows:

The Firm has subscribed capital and reserves that comfortably exceed its regulatory capital and liquidity requirements. The Firm has positive cash flow and is a cash generative business. Correspondingly, the Firm's approach towards liquidity risk is to maintain high levels of liquidity:

- As a matter of policy, a ring-fenced monetary amount of £3,198k, being 150% of the greater of the Firm's capital (own funds) and liquidity (liquid assets) threshold requirements is continually held in the form of at-call cash at a reputable bank, separate from day-to-day cash requirements
- A further working capital float of at least £200k (and generally materially higher) is maintained in the Firm's office current account. This comfortably covers liquidity requirements when they fall due.

As such the Firm's liquidity risk appetite is to ensure that total cash balances do not fall below the aggregate of these two measures, thus £3,398k.

4 Remuneration

The Firm is required to comply with the MIFIDPRU Remuneration Code under IFPR ('SYSC19G'), which aims to ensure that we have risk-focused remuneration policies that are consistent with and promote sound and effective risk management in the long-term interests of the Firm and our customers and do not expose the Firm or our clients to excessive risk.

4.1 Our approach and objectives

We have formulated our approach in remuneration policy and practices with reference to the guidance set out by the FCA. We consider the appropriate balance between fixed and variable remuneration as well as the constraints in place to avoid a conflict of interest between staff incentives and the best interests of customers.

The objectives of our financial incentives are to:

- promote sound and effective risk management in the long-term interests of the Firm and our customers
- limit risk-taking and avoid conflicts of interest
- ensure alignment between risk and individual reward
- supporting positive behaviours and healthy firm cultures
- encourage responsible business conduct
- discourage behaviour that can lead to misconduct and poor customer outcomes
- align employee's interests with the firm's long-term strategy and objectives
- be gender neutral, in line with the Equality Act 2010.

4.2 Governance and decision-making procedures

The Remuneration Committee of the Firm is responsible for overseeing the implementation of our remuneration policy and ensuring our compliance with the MIFIDPRU Remuneration Code. The committee comprises only non-executive directors, and the CEO attends in order to make proposals for the committee's consideration. The Risk & Compliance Director is asked to either report to or attend committee meetings and address a specific agenda item, on an annual basis, if there are any concerns regarding the behaviour of individuals or the riskiness of business undertaken by them. No individual shall be involved in any decisions as to their own remuneration.

One role of the Remuneration Committee of the Firm is to ensure that variable remuneration does not affect the Firm's ability to ensure a sound capital base. The Remuneration Committee of the Firm is responsible for overseeing the performance management process; reviewing and approving the remuneration policy, variable remuneration pool and caps, eligibility of participation in variable remuneration schemes, as well as the approval of variable remuneration awarded to individuals.

The Firm assesses all colleagues under its performance management process on an ongoing basis with an annual performance assessment outcome being used as a contributing factor in the determination of remuneration.

The remuneration of senior staff in risk management and compliance functions is directly overseen by the Remuneration Committee of the Firm. Any remuneration to staff with such control functions is awarded according to objectives linked to their functions and remains independent from the business units they oversee.

No variable remuneration is awarded to members of the Board who do not perform any executive function in the Firm.

4.3 Key characteristics of remuneration policies and practices

The Firm's remuneration policy has been created and is reviewed annually by the Remuneration Committee of the Firm and applies to both the wider Firm and its Material Risk Takers ("MRTs").

The remuneration policy's aims are to promote sound and effective risk management, to encourage responsible business conduct, to limit risk-taking and avoid conflicts of interest, to align employee's interests with the firm's long-term strategy and objectives, and to be gender neutral, in line with the Equality Act 2010.

The policy is designed to align risk and reward, to ensure the capital base of the firm is not put at risk by its remuneration incentives.

The remuneration policy has been developed based on three key principles which are:

- Remuneration should align to the Firm's business drivers, corporate vision and strategic priorities of the wider Firm
- Remuneration should adhere to wider people management practices, and only reward results which support a positive employment culture and customer values
- Remuneration plans communication should be made simple, clear and transparent for employees and shareholders.

At IMAML, total reward typically comprises a salary and (depending on the role) benefits including pension scheme, life assurance, private medical cover, and income protection insurance together with a number of bonus or profit-sharing arrangements. Salaries are set in the context of affordability, external market considerations as well as internal relativities and equal pay factors.

4.4 Fixed remuneration

Base Salary

We review the base salary of our staff members on an annual basis by considering factors such as market information and individual performance.

4.5 Variable remuneration

Bonus

The Firm's bonus scheme is a discretionary reward scheme based on the performance of the Firm as a whole. All bonuses are dependent on the firm's overall financial result to ensure a sound capital base. The bonus pool will take into consideration all types of current and future, financial and non-financial risks. On an individual level, the scheme is designed and linked to both financial and non-financial criteria, rewarding behaviours that promote positive non-financial outcomes for the firm and limiting eventual behaviours contrary to the firm's values. Non-financial outcomes include positive impact on reputation, conduct and consumer outcomes, values and strategy.

The bonus pool and other individual bonuses will be adjusted as deemed necessary by the Remuneration Committee of the Firm in consideration of the following:

- Any compliance or regulatory issues that have occurred or are under investigations internally or externally
- Any persistent or significant breaches in either financial or non-financial KPI's
- Any conduct related matters that have occurred or are under investigation internally or externally
- Any matters that adversely impact client outcomes
- Any other factors that may publicly impact the Firm's brand or reputation.

Control function staff (i.e. those in Risk and Compliance) are independent from the business units they oversee and are remunerated in line with the achievement of the objectives of their functions. The determination of the level of remuneration of such staff is independent of the performance of the business areas they oversee. As at the Firm's most recent year end of 30 April 2023, there were no other variable remuneration arrangements in place.

Guarantees

The Firm acknowledges non-performance-related variable remuneration, such as sign-on bonus, buy-out award, retention award and severance pay, may weaken the alignment of risk and award. The Firm may award the following remuneration if it does not become common practice:

- Sign-on bonus: only in the first year of service of the newly hired material risk takers where the firm has a strong capital base

- Buy-out award: involves the Firm compensating a new employee for reduced, revoked, or cancelled variable remuneration by the previous employer
- Retention award: this is dependent on a material risk taker remaining in role until the end of a restructuring or a wind-down of the firm
- Severance pay: in case of early termination of the employment contract, the Firm retains the ability to make severance payments as long as they reflect the individual's performance over time and do not reward failure or misconduct.

4.6 Material risk takers

Material risk takers (MRTs) are those staff members and members of Senior Management who have a material impact on the Firm's risk profile, including:

- Executive member of the Board
- Head of a control function (i.e. Risk and Compliance)
- Manager or senior member of a business unit carrying regulated activities
- Manager of a support function who can have a material impact on the Firm's risk profile, such as IT
- Staff with the authority to approve or veto the introduction of new products and
- Staff responsible for managing a material risk or risk management policies.

4.7 Clawback and malus

The total variable remuneration awarded to any individual is subject to clawback where we experience subdued or negative financial performance, in particular where that individual's personal conduct contributed to that subdued or negative financial performance. These clawback arrangements will take into account both current remuneration and reductions in payment of amounts previously earned, including through prior year clawback arrangements.

Up to 100% of the total variable remuneration previously awarded will be subject to clawback arrangements. The maximum period to which these arrangements apply is three years after the period to which payment of the variable remuneration related. The following criteria may result in clawback arrangements being invoked:

- Evidence of employee misbehaviour or material error
- Participation in, or responsibility for, conduct which resulted in significant losses to the Firm or relevant business unit
- Failure to meet appropriate standards of fitness and propriety
- Matters that adversely impact client outcome; or
- Other factors that demonstrably publicly impact the Firm's brand or reputation.

Clawback should always be applied in cases of fraud or other conduct with intent, or severe negligence which led to significant losses.

Further cases and the determination of the level of clawback to be undertaken is made by the Remuneration Committee of the Firm, which may seek external independent professional advice on the implementation of such arrangements.

4.8 Quantitative disclosures for the financial year ended 30 April 2023

4.8.1 the amount of remuneration awarded is as follows:

Category of Staff	Total remuneration (£)	Fixed proportion (£)	Variable proportion (£)
Senior Management (all of whom classed as MRTs)	1,480,640	964,100	516,540
Other Staff	2,825,959	2,522,407	303,552
Total	4,306,600	3,486,507	820,092

Note: As of 30 April 2023, the Firm has identified eight material risk takers.

4.8.2 the amounts of guaranteed variable remuneration and severance awarded are as follows:

Category of MRTs	Total amount of guaranteed variable remuneration (£)	Number of MRTs receiving guaranteed variable remuneration	Total amount of severance payments awarded (£)	Number of MRTs receiving severance payments
Senior Management	<i>£nil</i>	<i>None</i>	<i>£nil</i>	<i>None</i>
Other MRTs	<i>£nil</i>	<i>None</i>	<i>£nil</i>	<i>None</i>

The highest severance payment awarded to a material risk taker is £nil.

Appendix 1: Own funds – Composition of regulatory own funds

	Item	Amount (£'000)	Source based on reference numbers / letters of the balance sheet in the audited financial statements
1	OWN FUNDS	7,970.6	Sum of items 2 and 25
2	TIER 1 CAPITAL	7,970.6	Sum of items 3 and 20
3	COMMON EQUITY TIER 1 CAPITAL	7,970.6	Sum of items 4-19
4	Fully paid-up capital instruments	0.2	Called-up share capital
5	Share premium	25.4	Share premium account
6	Retained earnings	11,462.8	Retained earnings
7	Accumulated other comprehensive income	-	No applicable instruments
8	Other reserves	350.0	Capital redemption reserve
9	Adjustments to CET1 due to prudential filters	-	No applicable instruments
10	Other funds	-	No applicable instruments
11	(-)TOTAL DEDUCTIONS FROM COMMON EQUITY TIER 1	(3,867.8)	Sum of items below
19	CET1: Other capital elements, deductions and adjustments	(3,867.8)	Investments and other non-current assets
20	ADDITIONAL TIER 1 CAPITAL	-	No applicable instruments
21	Fully paid up, directly issued capital instruments	-	No applicable instruments
22	Share premium	-	No applicable instruments
23	(-) TOTAL DEDUCTIONS FROM ADDITIONAL TIER 1	-	No applicable instruments
24	Additional Tier 1: Other capital elements, deductions and adjustments	-	No applicable instruments
25	TIER 2 CAPITAL	-	No applicable instruments
26	Fully paid-up, directly issued capital instruments	-	No applicable instruments
27	Share premium	-	No applicable instruments
28	(-) TOTAL DEDUCTIONS FROM TIER	-	No applicable instruments
29	Tier 2: Other capital elements, deductions and adjustments	-	No applicable instruments

Appendix 2: Own funds – Reconciliation of regulatory own funds to balance sheet in the audited financial statements

		Balance sheet as in published / audited financial statements Amount as at period end (£'000)	Cross reference to Annex 1
1	Investments	3,652.5	Item 11
2	Other non-current assets	215.3	Item 11
3	Trade and other receivables	7,075.2	n/a
4	Cash at bank and in hand	5,250.1	n/a
	Total Assets	16,193.1	n/a
1	Current liabilities: Trade and other payables	(2,828.4)	n/a
2	Current liabilities: Current tax payable	(86.8)	n/a
3	Non-current liabilities: Trade and other payables	(1,389.5)	n/a
4	Non-current liabilities: Current tax payable	(50.0)	n/a
	Total Liabilities	(4,354.7)	n/a
1	Called-up share capital	0.2	Item 4
2	Share premium	25.4	Item 5
3	Capital redemption reserve	350.0	Item 8
4	Retained earnings	11,462.8	Item 6
	Total Shareholders' equity	11,838.4	

Appendix 3: Own funds – Main features of own instruments issued by the Firm

Instrument type	Ordinary share capital
Public or private placement	Private
Amount recognised in regulatory capital	£0.2k as at 30 April 2023
Nominal amount of instrument	£1 per share
Issue price	£1 per share
Redemption price	n/a
Redemption amount	n/a
Accounting classification	Called-up share capital
Original date of issuance	15 January 2004
Perpetual or dated	Perpetual
Maturity date	n/a
Issuer call subject to prior supervisory approval	n/a
Dividends	At the discretion of the Board, final dividends subject to shareholder approval
Existence of a dividend stopper	n/a
Convertible or non-convertible	n/a
Write-down features	n/a
Terms and conditions of the instrument	One vote for each share. A right to dividends per share as the directors shall from time to time recommend and, if no such recommendation is made, no dividend. Right to participate in a distribution of capital (including on winding up) in accordance with the act. The company may redeem its own shares