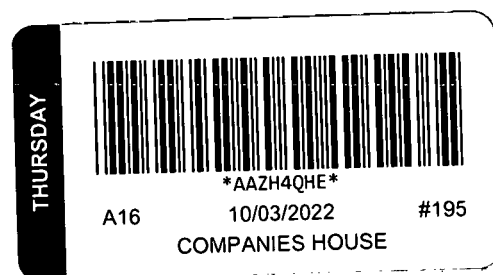




**Miton Asset Management Limited**

**Financial statements  
for the year ended 30 September 2021**

**Company No. 01949322**



**Miton Asset Management Limited**  
**Financial Statements for the year ended 30 September 2021**

**CORPORATE INFORMATION**

<b>Directors</b>	Gregor Craig Bart Edgar Piers Harrison Ian West Gervais Williams
<b>Secretary</b>	Catriona Fletcher
<b>Registered Office</b>	6 <sup>th</sup> Floor Paternoster House 65 St Paul's Churchyard London EC4M 8AB
<b>Bankers</b>	Bank of Scotland plc 33 Old Broad Street London EC2N 1HW  HSBC 165 Fleet Street London EC4A 2DY
<b>Solicitors</b>	Burges Salmon One Glass Wharf Bristol BS2 0ZX
<b>Auditors</b>	KPMG LLP 15 Canada Square Canary Wharf London E14 5GL

**Miton Asset Management Limited**  
**Financial Statements for the year ended 30 September 2021**

**STRATEGIC REPORT**

The Directors present their Strategic Report and the audited financial statements (the 'financial statements') of Miton Asset Management Limited (the 'Company') for the year ended 30 September 2021.

**Operating and financial review**

The Company is an operational subsidiary company.

The profit for the year before taxation was £68,389 compared with £1,967,564 for the previous financial period. Equity shareholders' funds for the year were £1,651,296 (30 September 2020: £2,965,856).

The Company's ultimate parent undertaking and ultimate controlling party is Premier Miton Group plc, which together with its subsidiaries, are hereafter referred to as the 'Group'. As at 30 September 2021 the Assets under Management ('AuM') of the Group were £13.9 billion.

With effect from 24 April 2020, the investment management activities of the Company were transferred to other subsidiaries within the Group. From this date, the Company ceased investment activities and subsequently received approval from the Financial Conduct Authority ('FCA') on 9 June 2020 for the cancellation of its regulatory permissions.

**Long term strategy and business objectives**

The Company is an operational subsidiary company, its long-term strategy and business objectives are aligned with those of the Group. There are five main objectives as follows:

- Deliver good investment outcomes for our clients in relevant investment solutions;
- Win and retain assets to grow funds under management;
- Effective management of our operating margin;
- Find suitable acquisition targets that will deliver increased scale and profitability; and
- Creating shareholder value by growing adjusted profit before taxation.

**Principal risks and uncertainties**

As the Company is an operational subsidiary company, its principal risks and uncertainties are aligned with those of the Group. The Group's principal financial assets are bank balances, trade and other receivables and investments. The key risks to which the Group is exposed are credit risk, liquidity risk, market price risk and operational risk.

**Credit risk**

The Group credit risk is primarily focused on trade receivables in relation to its open-ended investment company business. The risk is that a counterparty fails to settle on a trade thereby creating an illiquid asset. However, in such cases the Group has the ability to arrange with the trustees of the relevant fund to cancel the trade and to liquidate the units issued, thereby settling the trade. A possible exposure may arise in such an instance whereby the price achieved on a cancellation of a trade is less than the original price at which the units were issued.

The credit risk on liquid assets is limited because the counterparties are banks with relatively high credit ratings.

The Group has no significant concentration of credit risk as exposure is spread over a large number of counterparties and customers.

**Miton Asset Management Limited**  
**Financial Statements for the year ended 30 September 2021**

**STRATEGIC REPORT** *(continued)*

**Liquidity risk**

The Company's approach to managing liquidity risk is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due without incurring unacceptable losses or risking damage to the Group's reputation.

**Market price risk**

Market price risk arises where there is uncertainty or significant volatility in the world's stock markets. Group revenue consists primarily of management fees generated on funds that are managed by fellow Group subsidiaries; these funds are predominantly invested in quoted equities and as such volatility and/or uncertainty can materially affect the value of the funds on which management fees are generated.

The Group's funds under management are managed such that the asset allocation minimises the risk associated with particular countries or industry sectors whilst continuing to follow the relevant funds investment objectives.

Risk is managed by:

1. Having a spread of products; and
2. Limiting fixed costs / managing operations and financial gearing.

**Operational risk**

The Group relies on a number of third-party relationships and services to carry out business functions. Operational risk can arise either from the inability to effectively carry out robust evaluations of third parties, or the inability of third-party service providers to meet the service requirements.

Oversight of operational risks is monitored by the Operational Risk Committee which reports via the regulated boards and the Audit and Risk Committee to the Board of the ultimate parent company. As part of the Pillar II requirements of the Capital Requirements Directive, the Group maintains an 'Internal Capital Adequacy Assessment Process' ('ICAAP') in order to assess and manage the various risk exposures inherent within the Group. The ICAAP is kept current based on the latest available information and is used in conjunction with the compliance monitoring program, compliance manual and a fully documented system of controls and procedures.

By order of the Board



C A Fletcher      03/12/2021 10:37  
Company Secretary  
3 December 2021

**Miton Asset Management Limited**  
**Financial Statements for the year ended 30 September 2021**

**DIRECTORS' REPORT**

The Directors present their report and the financial statements of the Company for the year ended 30 September 2021. The Strategic Report on pages 2 to 3 and the Statement of Directors' Responsibilities on page 6 are incorporated by reference.

**Dividends**

A dividend of £1,500,000 was declared and paid to the immediate parent company and sole shareholder, Miton Group Service Company Limited, in the current year (2020: £9,000,000).

**Going concern**

The Company's business activities and outlook, together with the principal business risks and uncertainties that are likely to affect its future development, performance and position and the directors' strategy and processes for managing these risks, including developing and implementing operational and financial resilience, are set out in the Strategic Report on pages 2 to 3 and incorporated in this Directors' Report by reference.

An annual going concern review has been performed by the Group that considered, inter alia, the Company's ability to meet its financial obligations as they fall due, for a period of at least twelve months after the date that the financial statements are signed. This included an assessment of the impact of COVID-19, among other risks, on the future prospects of the business and its ability to continue as a going concern. COVID-19 continues to be monitored in the context of the enlarged Group's risk and control framework and the measures adopted by the Group to address the impact of COVID-19 are set out in note 12. In reaching their conclusion, the following matters were considered:

- Stress tests on reasonable plausible downside scenarios such as significant reduction in revenue over time;
- Level of existing and projected cash resources available in a stressed scenario;
- The interdependency of the Company's operations and finances on other entities within the Group, and the overall operational and financial stability of the Group as a whole.

The Company will continue to be sufficiently supported by its ultimate parent undertaking and will continue in its function as an operating subsidiary of the Group for the foreseeable future.

Based on the analysis set out above, the Directors have concluded that the Company has adequate resources at 30 September 2021, including adequate cash reserves and distributable reserves to continue in operational existence for the foreseeable future, and at least the twelve month period after the date at which these financial statements are signed. Accordingly, they continue to adopt the going concern basis of accounting in preparing the financial statements.

**Directors**

The Directors of the Company who served during the year and up to the date of approval are listed on page 1.

**Directors' indemnities and insurance provisions**

The Group maintains Directors' and Officers' Liability Insurance cover for any claim brought against its Directors or Officers. There are no other qualifying third-party indemnity provisions in place which would require disclosure under section 236 of the Companies Act 2006.

**Miton Asset Management Limited**  
**Financial Statements for the year ended 30 September 2021**

**DIRECTORS' REPORT (*continued*)**

**Financial instruments**

The Group finances its activities with cash generated from operations. Other financial assets and liabilities, such as trade debtors and trade creditors, arise directly from Group operating activities. Financial instruments give rise to credit, liquidity, market (including interest and foreign currency) and operational risk. Information on how these risks arise is set out in the Strategic Report on pages 2 to 3, as are the objectives, policies and processes for their management and the methods used to measure each risk.

**Disclosure of information to the Auditors**

So far as each person who was a Director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow Directors, each Director has taken all the steps that they are obliged to take as a Director in order to have made themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

**Auditors**

Pursuant to s.487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

By order of the Board



C A Fletcher  
Company Secretary  
3 December 2021

03/12/2021 10:38

**STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE STRATEGIC REPORT, THE DIRECTORS' REPORT AND THE FINANCIAL STATEMENTS**

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 they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

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

- select suitable accounting policies and then apply them consistently;
- make judgements and 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;
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

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 responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

**Miton Asset Management Limited**  
**Financial Statements for the year ended 30 September 2021**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MITON ASSET MANAGEMENT LIMITED**

**Opinion**

We have audited the financial statements of Miton Asset Management Limited ('the Company') for the year ended 30 September 2021 which comprise the income statement, statement of changes in equity, statement of financial position and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 30 September 2021 and of its profit for the year then ended;
- have been properly prepared in accordance with UK accounting standards applicable to smaller entities, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) ('ISAs (UK)') and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the Company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

**Going concern**

The Directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the Company or to cease its operations, and as they have concluded that the Company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the Directors' conclusions, we considered the inherent risks to the Company's business model and analysed how those risks might affect the Company's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the Directors' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the Company will continue in operation.

**Fraud and breaches of laws and regulations – ability to detect**

*Identifying and responding to risks of material misstatement due to fraud*

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:



**Miton Asset Management Limited**  
**Financial Statements for the year ended 30 September 2021**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MITON ASSET MANAGEMENT LIMITED (continued)**

- Enquiring of Directors and inspection of policy documentation as to the Company's high-level policies and procedures to prevent and detect fraud and the Company's channel for whistleblowing as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Reading Board of Directors minutes.
- Considering remuneration incentive schemes and performance targets for management and Directors.
- Using analytical procedures to identify any unusual or unexpected relationships.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards, and taking into account possible pressures to meet profit targets and our overall knowledge of the control environment, we perform procedures to address the risk of management override of controls, in particular the risk that management may be in a position to make inappropriate accounting entries. On this audit we do not believe there is a fraud risk related to revenue recognition because the calculation of revenue is non-complex and primarily made up of management fees, which is non-judgmental and straightforward with limited opportunity for manipulation.

We did not identify any additional fraud risks.

In determining the audit procedures we took into account the results of our evaluation and testing of the operating effectiveness of the Company-wide fraud risk management controls.

We also performed procedures including:

- Identifying journal entries and other adjustments to test based on risk criteria and comparing the identified entries to supporting documentation. These included those posted to unrelated accounts, duplicate entries, those posted with specific words in the description, those posted to cash with the other side being an unexpected amount.

*Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations*

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, and through discussion with the Directors and other management (as required by auditing standards), and from inspection of the Company's regulatory and legal correspondence and discussed with the Directors and other management the policies and procedures regarding compliance with laws and regulations.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the Company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation), distributable profits legislation, and taxation legislation, and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MITON ASSET MANAGEMENT LIMITED (*continued*)**

Secondly, the Company is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation or the loss of Company's license to operate. We identified the following areas as those most likely to have such an effect: anti-bribery, and certain aspects of company legislation recognising the of the Company's activities and its legal form. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Directors and other management and inspection of regulatory and legal correspondence, if any. Therefore if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

*Context of the ability of the audit to detect fraud or breaches of law or regulation*

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

**Strategic report and Directors' report**

The Directors are responsible for the Strategic report and the Directors' report. Our opinion on the financial statements does not cover those reports and we do not express an audit opinion thereon. Our responsibility is to read the Strategic report and the Directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- We have not identified material misstatements in the Strategic report and the Directors' report;
- In our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- In our opinion those reports have been prepared in accordance with the Companies Act 2006.

**Matters on which we are required to report by exception**

Under the Companies Act 2006 we are required to report to you if, in our opinion:

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

We have nothing to report in these respects.

**Miton Asset Management Limited**  
**Financial Statements for the year ended 30 September 2021**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MITON ASSET MANAGEMENT LIMITED (continued)**

**Directors' responsibilities**

As explained more fully in their statement set out on page 6, the Directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

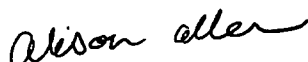
**Auditor's responsibilities**

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

A fuller description of our responsibilities is provided on the FRC's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities).

**The purpose of our audit work and to whom we owe our responsibilities**

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



**Alison Allen (Senior Statutory Auditor)**  
**for and on behalf of KPMG LLP, Statutory Auditor**  
*Chartered Accountants*  
15 Canada Square  
London  
E14 5GL  
7 December 2021

**Miton Asset Management Limited**  
**Financial Statements for the year ended 30 September 2021**

**INCOME STATEMENT**  
**For the year ended 30 September 2021**

		<b>Year to 30 Sept 2021</b>	<b>9 months to 30 Sept 2020</b>
	<b>Note</b>	<b>£</b>	<b>£</b>
<b>Turnover</b>	<b>2</b>	224,361	11,224,166
<b>Cost of sales</b>			
Fees and commission expense		<u>33,336</u>	<u>(3,040,068)</u>
<b>Gross profit</b>		257,697	8,184,098
<b>Administrative expenses</b>			
Other operating expenses		<u>(189,416)</u>	<u>(6,222,084)</u>
<b>Operating profit</b>	<b>3</b>	68,281	1,962,014
Other interest receivable	<b>5</b>	<u>108</u>	<u>5,550</u>
<b>Profit on ordinary activities before taxation</b>		68,389	1,967,564
Tax on profit on ordinary activities	<b>6</b>	<u>117,051</u>	<u>(373,837)</u>
<b>Profit on ordinary activities after taxation</b>		<u>185,440</u>	<u>1,593,727</u>

There are no items of other comprehensive income and therefore the profit for the period is also the total comprehensive income.

The notes on pages 14 to 19 form part of these accounts.

**Miton Asset Management Limited**  
**Financial Statements for the year ended 30 September 2021**

**STATEMENT OF CHANGES IN EQUITY**  
**For the year ended 30 September 2021**

	Note	Share Capital £	Profit and Loss £	Total £
At 1 January 2020		7,402	10,364,727	10,372,129
Profit for the period		-	1,593,727	1,593,727
Equity dividends	10	-	(9,000,000)	(9,000,000)
At 30 September 2020		<u>7,402</u>	<u>2,958,454</u>	<u>2,965,856</u>
Profit for the year		-	185,440	185,440
Equity dividends	10	-	(1,500,000)	(1,500,000)
At 30 September 2021		<u>7,402</u>	<u>1,643,894</u>	<u>1,651,296</u>

The notes on pages 14 to 19 form part of these accounts.

**Miton Asset Management Limited**  
**Financial Statements for the year ended 30 September 2021**

**STATEMENT OF FINANCIAL POSITION**  
**As at 30 September 2021**

	Note	30 Sept 2021 £	30 Sept 2020 £
<b>Current assets</b>			
Debtors	7	49,753	203,965
Cash at bank		<u>1,782,263</u>	<u>3,294,167</u>
<b>Total assets</b>		<u>1,832,016</u>	<u>3,498,132</u>
<b>Creditors: amounts falling due within one year</b>	8	<u>(180,720)</u>	<u>(532,276)</u>
<b>Net current assets</b>		<u>1,651,296</u>	<u>2,965,856</u>
<b>Net assets</b>		<u>1,651,296</u>	<u>2,965,856</u>
<b>Capital and reserves</b>			
Called up share capital	9	7,402	7,402
Profit and loss account		<u>1,643,894</u>	<u>2,958,454</u>
<b>Total shareholders' funds</b>		<u>1,651,296</u>	<u>2,965,856</u>

The financial statements were approved and authorised for issue by the Board on 3 December 2021.



P Harrison 03/12/2021 11:28  
Director

The notes on pages 14 to 19 form part of these financial statements.

## **NOTES TO THE FINANCIAL STATEMENTS**

### **1 ACCOUNTING POLICIES**

#### **Company information**

Miton Asset Management Limited is a private limited company incorporated in England, with Company registration number 01949322, and its registered office at 6<sup>th</sup> Floor, Paternoster House, 65 St Paul's Churchyard, London, EC4M 8AB.

#### **Statement of compliance**

The Company's financial statements have been prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102) and in accordance with applicable accounting standards. The Company's financial statements are presented in Sterling and all values are rounded to the nearest thousand pounds (£000) except when otherwise indicated.

The results of Miton Asset Management Limited are included in the consolidated financial statements of Premier Miton Group plc which are available from Eastgate Court, High Street, Guildford, Surrey GU1 3DE.

#### **Basis of preparation**

After making enquiries, the Directors have a reasonable expectation that the Company has access to adequate resources, including from the ultimate parent undertaking, to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and financial statements.

The Company's business activities and outlook, together with the principal business risks and uncertainties that are likely to affect its future development, performance and position and the directors' strategy and processes for managing these risks, including developing and implementing operational and financial resilience, are set out in the Strategic Report on pages 2 to 3 and incorporated in the Directors report on pages 4 to 5 by reference.

An annual going concern review has been performed by the Group that considered, inter alia, the Company's ability to meet its financial obligations as they fall due, for a period of at least twelve months after the date that the financial statements are signed. This included an assessment of the impact of COVID-19, among other risks, on the future prospects of the business and its ability to continue as a going concern. COVID-19 continues to be monitored in the context of the enlarged Group's risk and control framework and the measures adopted by the Group to address the impact of COVID-19 are set out in note 12. In reaching their conclusion, the following matters were considered:

- Stress tests on reasonable plausible downside scenarios such as significant reduction in revenue over time;
- Level of existing and projected cash resources available in a stressed scenario;
- The interdependency of the Company's operations and finances on other entities within the Group, and the overall operational and financial stability of the Group as a whole.

The Company will continue to be sufficiently supported by its ultimate parent undertaking and will continue in its function as an operating subsidiary of the Group for the foreseeable future.

Based on the analysis set out above, the Directors have concluded that the Company has adequate resources at 30 September 2021 as the Company has adequate cash reserves and distributable reserves to continue in operational existence for the foreseeable future, and at least the twelve month period after the date at which these financial statements are signed. Accordingly, they continue to adopt the going concern basis of accounting in preparing the financial statements.

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**1 ACCOUNTING POLICIES (*continued*)**

*Judgements and key sources of estimation uncertainty*

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the period. However, the nature of estimation means that actual outcomes could differ from those estimates. There were no significant estimates in the period.

**Revenue recognition**

Revenue is recognised to the extent that it is highly probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable, is stated net of value added tax and is earned within the United Kingdom. Fund management fees represents the provision of investment management services.

Management fees receivable are recognised in the Income Statement when the services are provided. In the comparative period investment management fees were based on an agreed percentage of the Assets under Management and were recognised in line with applicable service contracts evenly over the period in which the service is provided.

**Taxation**

Current tax is recognised for the amount of income 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 is recognised in respect of all timing differences which are differences between taxable profits and total comprehensive income that 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 except that:

- provision is made for the deferred tax that would arise on remittance of the retained earnings of overseas subsidiaries, associates and joint ventures only to the extent that, at the balance sheet date, dividends have been accrued as receivable;
- unrelieved tax losses and other deferred tax assets are recognised only to the extent that the directors consider it probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

**Cash flow statement**

On the grounds that the Company is a subsidiary undertaking, 100% of whose voting rights are controlled within a Group which prepares publicly available consolidated financial statements in which the results of the Company are included. The Company is exempt from the requirement to prepare a cash flow statement under FRS 102 Section 1.12 (b).

**Functional currency**

The financial statements are prepared in sterling which is the functional currency.



**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**1 ACCOUNTING POLICIES (continued)**

**Short-term debtors and creditors**

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

**2 TURNOVER**

The Company is an operational subsidiary company, turnover represents revenue from the provision of management services to the Group. Revenue is recognised evenly over the period in which the service is provided.

Turnover in the comparative period represented the amounts derived from providing investment management services which fell within the Company's ordinary activities prior to the transfer of regulated activities to fellow Group subsidiaries, as supplied by the Company in the United Kingdom, exclusive of VAT. Turnover from investment management services ceased from 24 April 2020.

	<b>Year to 30 Sept 2021 £</b>	<b>9 months to 30 Sept 2020 £</b>
Fund management fees	-	11,224,166
Management fees	224,361	-

**3 OPERATING PROFIT**

	<b>Year to 30 Sept 2021 £</b>	<b>9 months to 30 Sept 2020 £</b>
Operating profit is stated after charging:		
Management charges	-	5,935,241
Auditor's remuneration – statutory audit *	-	-

\* In 2021 auditor's remuneration of £10,000 (2020: £14,100) was paid by a fellow Group subsidiary.

**4 DIRECTORS' EMOLUMENTS**

The Company has no direct employees.

The remuneration of the Directors is paid by a fellow Group subsidiary, and no Directors received remuneration specifically for their services to this Company. After apportioning total remuneration between companies within the Group, services provided to this entity are not considered material.

Disclosures are provided within the Group accounts.

**Miton Asset Management Limited**  
**Financial Statements for the year ended 30 September 2021**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**5 OTHER INTEREST RECEIVABLE**

	Year to 30 Sept 2021 £	9 months to 30 Sept 2020 £
Bank interest	108	5,550
	<u>108</u>	<u>5,550</u>

**6 TAXATION**

**(a) Tax on profit on ordinary activities**

The tax charge is made up as follows:

	Year to 30 Sept 2021 £	9 months to 30 Sept 2020 £
<b>Current tax</b>		
UK corporation current tax	12,994	373,837
Tax over provided in previous years	(130,045)	-
Total current tax charge	<u>(117,051)</u>	<u>373,837</u>
Deferred tax	-	-
<b>Tax (credit) / charge on ordinary activities</b>	<u>(117,051)</u>	<u>373,837</u>

**(b) Factors affecting total tax charge**

The tax assessed on the profit on ordinary activities for the period differs from the standard rate of corporation tax in the UK.

The differences are reconciled below:

	Year to 30 Sept 2021 £	9 months to 30 Sept 2020 £
Profit on ordinary activities before tax	68,389	1,967,564
Profit on ordinary activities multiplied by the weighted average standard rate of corporation tax in the UK of 19% (2020: 19%)	12,994	373,837
Adjustment in respect of prior years	<u>(130,045)</u>	<u>-</u>
<b>Total tax (credit) / charge</b>	<u>(117,051)</u>	<u>373,837</u>

**Miton Asset Management Limited**  
**Financial Statements for the year ended 30 September 2021**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

<b>7 DEBTORS</b>	<b>30 Sept 2021 £</b>	<b>30 Sept 2020 £</b>
Prepayments	-	203,965
Corporation tax	49,753	-
	<u>49,753</u>	<u>203,965</u>
<b>8 TRADE AND OTHER CREDITORS</b>	<b>30 Sept 2021 £</b>	<b>30 Sept 2020 £</b>
Trade creditors	-	1,499
Accruals	180,720	229,136
Corporation tax	-	301,641
	<u>180,720</u>	<u>532,276</u>
<b>9 CALLED UP SHARE CAPITAL</b>	<b>30 Sept 2021 £</b>	<b>30 Sept 2020 £</b>
Authorised 100,000 Ordinary Shares of £1 each	<u>100,000</u>	<u>100,000</u>
Allotted, called up and fully paid 7,402 Ordinary Shares of £1 each	<u>7,402</u>	<u>7,402</u>
<b>10 DIVIDENDS</b>	<b>Year to 30 Sept 2021 £</b>	<b>9 months to 30 Sept 2020 £</b>
Declared and paid during the period:		
29 July 2021: £202.65 per share (2020: £1,215.89 per share)	1,500,000	9,000,000
	<u>1,500,000</u>	<u>9,000,000</u>

**NOTES TO THE FINANCIAL STATEMENTS (*continued*)**

**11 RELATED PARTY TRANSACTIONS AND ULTIMATE CONTROLLING PARTY**

The Company's ultimate parent undertaking and ultimate controlling party is Premier Miton Group plc, a company which is registered in England and Wales.

The Company has taken advantage of the exemption under Paragraph 33.5 of FRS 102 not to show related party transactions between Group undertakings within its accounts on the basis that it is a wholly owned subsidiary of Premier Miton Group plc.

The results of the Company are included in the consolidated financial statements of Premier Miton Group plc which are available from Eastgate Court, High Street, Guildford, Surrey GU1 3DE.

**12 COVID-19**

At 3 December 2021, the impact of COVID-19 is being kept under review by the Company and its ultimate parent company, Premier Miton Group plc. The enlarged Group's management committee is charged with managing the corporate response to this pandemic and to implement all Government advice in order to safely continue to meet the needs of our people, clients and stakeholders. The Going Concern statement sets out further detail of the analysis undertaken by the Directors to assess the range of possible future scenarios.

**13 SUBSEQUENT EVENTS**

At 3 December 2021, there were no subsequent events to report.