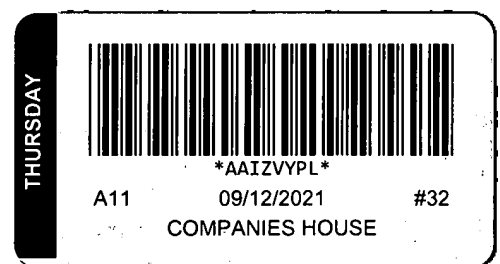


# **TigerWit Limited**

Annual Report and Financial Statements

Year Ended 31 March 2021

Company Registration No. 09479466 (England and Wales)



# **TigerWit Limited**

## **Company Information**

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<b>Directors</b>	Mr S Denham Mr T Hughes Mr H Du Mr J Manczak
<b>Company number</b>	09479466
<b>Registered office</b>	7 <sup>th</sup> Floor Augustine House 6a Austin Friars London England EC2N 2HA
<b>Auditor</b>	Nexia Smith & Williamson 25 Moorgate London EC2R 6AY

# **TigerWit Limited**

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# TigerWit Limited

## Strategic Report

*For the year ended 31 March 2021*

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The directors present the strategic report for the year ended 31 March 2021.

### **Fair review of the business**

The Company was incorporated on 9 March 2015 and received authorisation from the FCA to undertake investment services on 26 January 2016.

The results of the year and the financial position at the year end were considered satisfactory by the directors.

The Company's key performance indicators are turnover and net profit before tax which is disclosed on page 8 of the financial statements.

### **Development and performance**

At the year end the Company had net assets of £2,102,651 (2020: £2,078,351).

### **Principal risks and uncertainties**

The directors are responsible for identifying principal risks and suitable mitigating strategies. The Company seeks to mitigate its risks through the proactive quantification of such risks and by applying robust systems, controls and hedging tools so that the risks are deemed to be acceptable to the business. The Company's Internal Capital Adequacy Assessment Process ("ICAAP") provides an ongoing assessment of the risks the Company believes have the potential to have a significant detrimental impact on its financial performance.

The directors have identified that the principal risks and uncertainties involved with the Company are:

- The regulatory environments in which the Company operates change in a way that impacts the activities of the Company;
- The market risk the Company accepts to provide instant execution of client orders results in a loss to the Company;
- A bank or broker which the Company uses defaults, resulting in the Company's balances with that bank or broker not being recoverable;
- Failure of systems, controls or processes which underpin the operations of the Company.

The Company continues to maintain sufficient capital resources.

The directors have considered the uncertainty following Brexit and do not consider that any adjustments are required to the Financial Statements in respect of this. They will continue to monitor economic and regulatory developments regarding this uncertainty in order to minimise any potential impact to the Company's finances and operations.

### **Section 172 statement**

Under Section 172 of the Companies Act 2006, the Board has a duty to promote the success of the Company for the benefit of its members as a whole, having regard to the interests of other stakeholders in the Company, such as suppliers, and to do so with an understanding of the impact on the community and environment and with high standards of business conduct, which includes acting fairly between members of the Company.

The Board meets these responsibilities in the way it promotes the Company's culture and ensures, as part of its regular oversight that the integrity of the Company's affairs is foremost in the way the activities are managed and promoted.

The Board of Directors meets regularly during the year to discuss various issues relating to corporate strategy and risk management. Central to these discussions are the duties contained within Section 172.

1. The likely consequences of any decision in the long term

The Board of Directors makes informed, data-led decisions in order to best meet the long term needs of the Company's customers, employees, members and other stakeholders and assesses the likely impact of its decisions as part of this process.

# **TigerWit Limited**

## **Strategic Report (continued)** **For the year ended 31 March 2021**

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### **Section 172 statement (continued)**

#### **2. The interests of the Company's employees**

Employees are the key asset to support the Company's objectives which cannot be delivered without skilled and able people. Directors and employees value stability and the opportunity to participate within the financial services profession, and to work with good people.

#### **3. The need to foster the company's business relationships with suppliers, customers and others**

Customers are key to the future success of the business and understanding their needs is an integral part of providing relevant and compelling products and services which grow our customer base and increase the value which the Company can deliver.

#### **4. The impact of the Company's operations on the community and the environment**

The Company is configured to operate in a low impact way environmentally. As a predominantly digital business, its carbon footprint is minimal. In the pursuit of a responsible environmental impact, travel and other greenhouse gas emitting activities are closely monitored and tightly controlled. The directors are alive to the broader community impact of the Company's decisions and activities and it plays an active and positive role in the City of London.

#### **5. The desirability of the Company maintaining a reputation for high standards of business conduct**

Directors set the standard and provide training and leadership to employees to operate with integrity and with respect for customers, suppliers, regulators and other stakeholders.

#### **6. The need to act fairly between members of the Company.**

The Company treats its stakeholders fairly and equally so they benefit from the delivery of the Company's plan.

The Board is fully engaged in both oversight and the general strategic direction of the Company which is set out in the Business Plan. During the year, the Board's main strategic discussions focussed on the evolving global coronavirus pandemic and continuing to adjust to the post-Brexit regulatory environment. The Board remains confident in the prospects of the business going forward. Future success and value creation will be based on continuing investment in the successful delivery of its investment and risk management products and services, while ensuring the technology is in place to enable it to maintain acceptable margins and profitability.

On behalf of the board



Mr T Hughes  
Director  
27 July 2021

# **TigerWit Limited**

## **Directors' Report**

***For the year ended 31 March 2021***

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The directors present their annual report and financial statements for the year ended 31 March 2021.

### **Principal activities**

The principal activity of the Company was that of the provision of investment services and trading as principal and agent in foreign exchange, equities and derivatives contracts including Contracts For Differences ("CFDs") as well as the provision of professional and technological services.

### **Directors**

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Mr S Denham  
Mr T Hughes  
Mr H Du  
Mr J Manczak

### **Results and dividends**

The results for the year are set out on page 8.

No ordinary dividends were paid. The directors do not recommend payment of a final dividend (2020: £nil).

### **Financial instruments**

#### ***Liquidity risk***

The Company manages its cash and borrowing requirements in order to maximise interest income and minimise interest expense, whilst ensuring the Company has sufficient liquid resources to meet the operating needs of the business.

#### ***Foreign currency risk***

The Company's principal foreign currency exposures arise from foreign denominated instruments. Company policy does not demand that these exposures must be hedged in order to fix the cost in sterling.

#### ***Credit risk***

Investments of cash surpluses are made through banks and companies which fulfil credit rating criteria.

Customers are not permitted to trade on credit terms. Trade debtors are monitored on an ongoing basis and provision is made for doubtful debts where necessary.

### **Impact of Global Coronavirus Pandemic**

The Coronavirus Pandemic continues to adversely impact global commercial activity, and has contributed to significant volatility in financial markets. The global impact of the pandemic continues to rapidly evolve and, despite significant easing of restrictions in certain countries (including the UK), it remains unclear exactly how and when this crisis will ultimately resolve. It is likely that there will continue to be regional lockdowns, quarantines and restrictions on travel. Such measures, as well as the general uncertainty surrounding the dangers and impact of COVID-19, will likely continue to create significant disruption in economic activity.

The Board has thoroughly considered the potential effects of the global pandemic and the effect it may have on the Company's ability to continue to operate normally. Significantly, the Company has proven highly effective at continuing to operate on an almost entirely remote basis for the duration of the pandemic.

### **Going Concern**

The Board has considered the Company's prospects in the context of its current product and revenue mix and its strategic plans and is satisfied in its ability to continue as a going concern. This assessment included, among other things:

**TigerWit Limited**  
**Directors' Report (continued)**  
**For the year ended 31 March 2021**

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**Going Concern (continued)**

- **Shareholder Support:** The Company has received confirmation from a related company that it will continue to provide financial support to the Company, if required, for at least 12 months following the approval of the financial statements;
- **Budgets:** Income targets have been broadly met while actual expenses are currently below budget. Further cost cutting initiatives can be undertaken relatively quickly if deemed necessary;
- **Capital Levels:** Actual capital levels are significantly higher than required by the Company's regulator, the Financial Conduct Authority, and sufficient to cover an extended period of operating expenses if required.

The directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future and continues to receive the full support of its shareholders and related companies.

**Streamlined Energy and Carbon Reporting**

Energy and carbon information is not disclosed because the Company is a low energy user as defined in the Environmental Reporting Guidelines.

**Auditor**

The auditor, Nexia Smith & Williamson, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

**Statement of directors' responsibilities**

The directors are responsible for preparing the annual 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). Under Company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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.

**Statement of disclosure to auditor**

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the Company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the Company's auditor is aware of that information.

On behalf of the board

  
Mr T Hughes  
Director

27 July 2021

# **TigerWit Limited**

## **Independent Auditor's Report To the Members of TigerWit Limited**

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### **Opinion**

We have audited the financial statements of TigerWit Limited (the 'company') for the year ended 31 March 2021 which comprise the Statement of Comprehensive Income, Balance Sheet, Statement of Changes in Equity, Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2021 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; 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 under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

### **Other information**

The other information comprises the information included in the Annual Report and Financial Statements, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the Annual Report and Financial Statements. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.



# **TigerWit Limited**

## **Independent Auditor's Report (continued) To the Members of TigerWit Limited**

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### **Opinions on other matters prescribed by the Companies Act 2006**

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

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

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

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

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us 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.

### **Responsibilities of Directors**

As explained more fully in the directors' responsibilities statement set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

### **Auditor's responsibilities for the audit of the financial statements**

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below:

We obtained a general understanding of the company's legal and regulatory framework through enquiry of management in respect of their understanding of the relevant laws and regulations. We obtained an understanding of the entity's policies and procedures in relation to compliance with relevant laws and regulations and how management identify breaches of the applicable Financial Conduct Authority (FCA) rules. We also drew on our existing understanding of the company's industry and regulation.

# **TigerWit Limited**

## **Independent Auditor's Report (continued) To the Members of TigerWit Limited**

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### **Auditor's responsibilities for the audit of the financial statements (continued)**

We understand that the company complies with requirements of the framework through:

- The Directors managing and overseeing a compliance function
- Updating operating procedures, manuals and internal controls as legal and regulatory requirements change
- The Directors' close involvement in the day-to-day running of the business, meaning that any litigation or claims would come to their attention directly and are considered at Board meetings.

In the context of the audit, we considered those laws and regulations which determine the form and content of the financial statements, which are central to the company's ability to conduct its business and where failure to comply could result in material penalties. We have identified the following laws and regulations as being of significance in the context of the company:

- The Companies Act 2006 and FRS 102 in respect of the preparation and presentation of the financial statements; and
- The UK regulatory principles, including those governed by the Financial Conduct Authority (FCA)

To gain evidence about compliance with the significant laws and regulations above we reviewed the company's breaches register, reviewed board meeting minutes, inspected correspondence with the FCA relating to the period and obtained written management representations regarding the adequacy of procedures in place.

The senior statutory auditor led a discussion with senior members of the engagement team regarding the susceptibility of the company's financial statements to material misstatement, including how fraud might occur. The key areas identified as part of the discussion were the risk of manipulation of the financial statements through manual journal entries and incorrect recognition of revenue. These areas were communicated to the other members of the engagement team who were not present at the discussion.

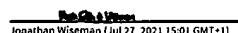
The procedures we carried out to gain evidence in the above areas included:

- Testing of a sample of revenue transactions to underlying documentation; and
- Testing of a sample of manual journal entries, selected through applying specific risk assessments based on the company's processes and controls surrounding manual journal entries.

A further description of our responsibilities is available on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

### **Use of our report**

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

  
Jonathan Wiseman (Jul 27, 2021 15:01 GMT+1)

Jonathan Wiseman  
Senior Statutory Auditor, for and on behalf of  
**Nexia Smith & Williamson**  
Statutory Auditor  
Chartered Accountants  
25 Moorgate  
London  
EC2R 6AY, United Kingdom

Date: 27.07.21

## TigerWit Limited

### Statement of Comprehensive Income For the year ended 31 March 2021

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	Notes	2021 £	2020 £
Turnover	3	2,237,241	2,372,438
Cost of sales		(14,073)	(7,943)
		<hr/>	<hr/>
Gross profit		2,223,168	2,364,495
Administrative expenses		(2,198,868)	(2,195,240)
		<hr/>	<hr/>
Operating profit and profit before taxation	4	24,300	169,255
Taxation on profit	7	-	-
		<hr/>	<hr/>
Profit for the financial year		24,300	169,255
		<hr/>	<hr/>

The Statement of Comprehensive Income has been prepared on the basis that all operations are continuing operations.

The notes on pages 12 to 23 form part of these financial statements.

# TigerWit Limited

## Balance Sheet At 31 March 2021

	Note	2021	2020
		£	£
<b>Fixed assets</b>			
Tangible assets	8	9,453	11,800
<b>Current assets</b>			
Debtors	10	282,308	398,356
Cash at bank and in hand		2,003,852	1,858,392
		<u>2,286,160</u>	<u>2,256,748</u>
<b>Creditors: amounts falling due within one year</b>	11	(192,962)	(190,197)
<b>Net current assets</b>		<u>2,093,198</u>	<u>2,066,551</u>
<b>Net assets</b>		<u>2,102,651</u>	<u>2,078,351</u>
<b>Capital and reserves</b>			
Called up share capital	13	267	267
Share premium account		2,654,573	2,654,573
Profit and loss reserves		(552,189)	(576,489)
<b>Total equity</b>		<u>2,102,651</u>	<u>2,078,351</u>

The financial statements were approved by the Board of Directors and authorised for issue on 27 July 2021 and are signed on its behalf by:

  
Mr T Hughes  
Director

Company Registration No. 09479466

The notes on pages 12 to 23 form part of these financial statements.

## TigerWit Limited

### Statement of Changes in Equity For the year ended 31 March 2021

	Notes	Share capital £	Share premium account £	Profit and loss reserves £	Total £
<b>At 31 March 2019</b>		267	2,654,573	(745,744)	1,909,096
<b>Year ended 31 March 2020:</b>					
Income and total comprehensive income for the year		-	-	169,255	169,255
<b>At 31 March 2020</b>		267	2,654,573	(576,489)	2,078,351
<b>Year ended 31 March 2021:</b>					
Income and total comprehensive income for the year		-	-	24,300	24,300
<b>At 31 March 2021</b>		267	2,654,573	(552,189)	2,102,651

The notes on pages 12 to 23 form part of these financial statements.

# TigerWit Limited

## Statement of Cash Flows For the year ended 31 March 2021

	Notes	2021		2020	
		£	£	£	£
<b>Cash flows from operating activities</b>					
Cash generated from operations	18		152,581		622,177
			<u>          </u>		<u>          </u>
<b>Net cash inflow from operating activities</b>			152,581		622,177
<b>Investing activities</b>					
Purchase of tangible fixed assets		(7,121)		(3,988)	
		<u>          </u>		<u>          </u>	
<b>Net cash used in investing activities</b>			(7,121)		(3,988)
<b>Financing activities</b>					
Proceeds from issue of shares		-		-	
		<u>          </u>		<u>          </u>	
<b>Net cash generated from financing activities</b>			-		-
<b>Net increase in cash and cash equivalents</b>			<u>145,460</u>		<u>618,189</u>
Cash and cash equivalents at beginning of year			1,858,392		1,240,203
			<u>          </u>		<u>          </u>
<b>Cash and cash equivalents at end of year</b>			<u>2,003,852</u>		<u>1,858,392</u>

The notes on pages 12 to 23 form part of these financial statements.

# **TigerWit Limited**

## **Notes to the Financial Statements For the year ended 31 March 2021**

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### **1 Accounting policies**

#### **Company information**

TigerWit Limited is a private Company limited by shares incorporated in England and Wales. The registered office is 7<sup>th</sup> Floor, Augustine House, 6a Austin Friars, London, England, EC2N 2HA.

#### **1.1 Accounting convention**

The financial statements have been prepared in accordance with FRS 102 "the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the Company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

#### **1.2 Going concern**

The Board has considered the Company's prospects in the context of its current product and revenue mix and its strategic plans and is satisfied in its ability to continue as a going concern. This assessment included, among other things:

- **Shareholder Support:** The Company has received confirmation from a related Company confirming it will continue to provide financial support to the Company, if required, for at least 12 months following the approval of the financial statements;
- **Budgets:** Income targets have been broadly met while actual expenses are currently below budget. Further cost cutting initiatives can be undertaken relatively quickly if deemed necessary;
- **Capital Levels:** Actual capital levels are significantly higher than required by the Company's regulator, the Financial Conduct Authority, and are sufficient to cover an extended period of operating expenses if required.

The Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future and continues to receive the full support of its shareholders and related companies.

At the date of approving the financial statements Management believe there is nothing to suggest the Company is unable to continue as a going concern. The Directors therefore believe it is appropriate to continue to adopt the going concern basis in preparing the financial statements.

#### **1.3 Turnover**

Turnover represents the net revenue from trading in foreign exchange, equities and derivatives contracts including Contracts for Differences ("CFD"), and fees received for professional and technological services. Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

# TigerWit Limited

## Notes to the Financial Statements For the year ended 31 March 2021

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### 1. Accounting policies (continued)

#### 1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following basis:

Computer equipment      33.33% straight line basis

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset; and is credited or charged to profit or loss.

#### 1.5 Impairment of fixed assets

At each reporting period end date, the Company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

#### 1.6 Cash at bank and in hand

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### 1.7 Financial instruments

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

Financial instruments are recognised in the Company's balance sheet when the Company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.



# TigerWit Limited

## Notes to the Financial Statements For the year ended 31 March 2021

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### 1. Accounting policies (continued)

#### 1.7 Financial instruments (continued)

##### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

##### **Other financial assets**

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

##### **Impairment of financial assets**

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

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

##### **Derecognition of financial assets**

Financial assets are derecognised only when the contractual rights to the cash flows from the assets expire or are settled, or when the Company transfers the financial asset and substantially all the risks and rewards of ownership pass to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

##### **Classification of financial liabilities**

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities.

##### **Basic financial liabilities**

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

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

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

# TigerWit Limited

## Notes to the Financial Statements For the year ended 31 March 2021

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### 1. Accounting policies (continued)

#### 1.7 Financial instruments (continued)

##### **Other financial liabilities**

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

##### **Derecognition of financial liabilities**

Financial liabilities are derecognised when the Company's contractual obligations expire or are discharged or cancelled.

#### 1.8 Equity instruments

Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the Company.

#### 1.9 Derivatives

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to fair value at each reporting end date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedging relationship.

A derivative with a positive fair value is recognised as a financial asset, whereas a derivative with a negative fair value is recognised as a financial liability.

#### 1.10 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

##### **Current tax**

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the statement of income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

# **TigerWit Limited**

## **Notes to the Financial Statements For the year ended 31 March 2021**

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### **1. Accounting policies (continued)**

#### **1.10 Taxation (continued)**

##### ***Deferred tax***

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the Company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

#### **1.11 Employee benefits**

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The costs of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the Company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### **1.12 Retirement benefits**

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

#### **1.13 Foreign exchange**

Transactions in currencies other than sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the statement of income for the period.

### **2. Judgements and key sources of estimation uncertainty**

In the application of the Company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates is revised when the revision affects only that period, or in the period of the revisions and future periods where the revision affects both current and future periods.

Given the straightforward nature of the business, management have not been required to make any key estimates or judgements when preparing the financial statements.

# TigerWit Limited

## Notes to the Financial Statements For the year ended 31 March 2021

### 3. Turnover and other revenue

An analysis of the Company's turnover is as follows:

	2021 £	2020 £
<b>Turnover analysed by class of business:</b>		
Trading	(55,662)	(27,023)
Provision of professional and technological services	2,292,903	2,399,461
	<u>                    </u>	<u>                    </u>
Turnover	2,237,241	2,372,438
	<u>                    </u>	<u>                    </u>
	2021 £	2020 £
<b>Turnover analysed by geographical market:</b>		
EC	30,649	22,099
Non EC	2,206,592	2,350,339
	<u>                    </u>	<u>                    </u>
	2,237,241	2,372,438
	<u>                    </u>	<u>                    </u>

### 4. Operating profit

Operating profit for the year is stated after charging / (crediting):

	2021 £	2020 £
Exchange gains	(9,141)	(3,788)
Fees payable to the Company's auditor:		
- Audit of the Company's financial statements	17,000	10,000
- Tax compliance services	3,500	2,900
- Other assurance services pursuant to legislation	21,000	15,000
Operating lease rentals	64,692	102,082
Depreciation of owned tangible fixed assets	9,468	7,338
	<u>                    </u>	<u>                    </u>

Exchange differences recognised in profit or loss during the year, except for those arising on financial instruments measured at fair value through profit or loss, amounted to a gain of £9,141 (2020: £3,788).

# TigerWit Limited

## Notes to the Financial Statements For the year ended 31 March 2021

### 5. Employees

The average monthly number of persons (including directors) employed by the Company during the year was:

	2021	2020
Directors	2	2
Administration staff	16	14
	<u>18</u>	<u>16</u>

Their aggregate remuneration comprised:

	2021 £	2020 £
Wages and salaries	973,042	1,120,399
Social security costs	117,811	128,958
Pension costs	11,587	12,262
	<u>1,102,440</u>	<u>1,261,619</u>

The directors consider themselves to be the only key management personnel.

### 6. Directors' remuneration

	2021 £	2020 £
Remuneration for qualifying services	<u>355,797</u>	<u>331,145</u>

The highest paid director received remuneration of £158,425 (2020: £152,100)

### 7. Taxation

	2021 £	2020 £
<b>Current tax</b>		
UK corporation tax on profits for the current year	<u>-</u>	<u>-</u>

## TigerWit Limited

### Notes to the Financial Statements For the year ended 31 March 2021

#### 7. Taxation (continued)

The actual amount charged for the year can be reconciled to the expected credit for the year based on the profit or loss and the standard rate of tax as follows:

	2021 £	2020 £
Profit before taxation	24,300	169,255
	<hr/>	<hr/>
	2021 £	2020 £
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00%	4,617	32,158
Tax effect of expenses that are not deductible in determining taxable profit	3,628	(5,482)
Deferred tax not recognised	(8,245)	-
Utilisation of tax losses	-	(27,301)
Permanent capital allowances (below) / in excess of depreciation	-	625
	<hr/>	<hr/>
Taxation charge for the year	-	-
	<hr/>	<hr/>

The total tax losses available to be carried forward by the Company could give rise to a potential deferred tax asset of £37,551 (2020: £51,507). However, this has not been recognised in the financial statements due to uncertainty over the timing of the future utilisation of the losses.

# TigerWit Limited

## Notes to the Financial Statements For the year ended 31 March 2021

### 8. Tangible fixed assets

	<b>Computer equipment £</b>
<b>Cost</b>	
At 1 April 2020	24,315
Additions	7,121
	<hr/>
At 31 March 2021	31,436
	<hr/>
<b>Depreciation and impairment</b>	
At 1 April 2020	12,515
Additions	9,468
	<hr/>
At 31 March 2021	21,983
	<hr/>
<b>Carrying amount</b>	
At 31 March 2021	9,453
	<hr/> <hr/>
At 31 March 2020	11,800
	<hr/> <hr/>

### 9. Financial instruments

	<b>2021 £</b>	<b>2020 £</b>
<b>Carrying amount of financial assets</b>		
Debt instruments measured at amortised cost	2,213,650	2,184,174
	<hr/>	<hr/>
<b>Carrying amount of financial liabilities</b>		
Measured at amortised cost	144,210	149,041
	<hr/>	<hr/>

# TigerWit Limited

## Notes to the Financial Statements For the year ended 31 March 2021

### 10. Debtors

	2021 £	2020 £
<b>Amounts falling due within one year:</b>		
Other debtors	215,231	325,782
Prepayments and accrued income	42,420	47,917
	<u>257,651</u>	<u>373,699</u>
<b>Amounts falling due after one year:</b>		
Corporation tax recoverable	24,657	24,657
	<u>24,657</u>	<u>24,657</u>
<b>Total debtors</b>	<u>282,308</u>	<u>398,356</u>

Included in other debtors are amounts due from related parties in the sum of £73,507 (2020: £73,507).

### 11. Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	42,681	40,655
Other taxation and social security	40,033	41,155
Other creditors	6,726	8,372
Accruals and deferred income	103,522	100,015
	<u>192,962</u>	<u>190,197</u>

Included other creditors are amounts due to related parties in the sum of £1,158 (2020: £2,843).



# TigerWit Limited

## Notes to the Financial Statements For the year ended 31 March 2021

### 12. Retirement benefit schemes

	2021 £	2020 £
<b>Defined contribution schemes</b>		
Charge to profit or loss in respect of defined contribution schemes	11,587	12,262

The Company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the Company in an independently administered fund. Included within other creditors is £2,767 (2021: £2,159) of contributions owing to the defined contribution scheme at the balance sheet date.

### 13. Share capital

	2021 £	2020 £
<b>Issued and fully paid</b>		
19,367 A Ordinary shares of 1p each	194	194
6,804 B Ordinary shares of 1p each	68	68
500 C Ordinary shares of 1p each	5	5
	267	267

All classes of share rank pari passu.

### 14. Operating leases

At 31 March 2021 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2021 £	2020 £
Not later than 1 year	83,853	5,552
Later than 1 year and not later than 5 years	83,853	-
	167,706	5,552

## TigerWit Limited

### Notes to the Financial Statements For the year ended 31 March 2021

#### 15. Client bank accounts

The Company operates 4 client bank accounts. At 31 March 2021 the total balance held in these accounts was £468,066 (2020: £485,818). The funds are not included on the Company's balance sheet as they do not belong to the Company.

#### 16. Related party transactions

The Company paid Sensatus UK Limited, a Company of which Mr S Denham is a director and shareholder, £120,000 (2020: £120,000) for provision of IT platforms and £145,830 (2020: £156,247) for IT consulting services. A £nil balance remained outstanding at 31 March 2021 (31 March 2020: £nil).

The turnover includes income of £2,292,903 (2020: £2,399,461) received from TigerWit Limited (a Bahamas entity) for professional and technological services, a Company related by common shareholders. A £nil balance remained outstanding at 31 March 2021 (31 March 2020: £nil).

At the year end, the Company was owed £73,507 (2020: £73,507) by Mr T Hughes, a director and shareholder in the Company. No interest is charged by the Company on the outstanding balance. At the year end, the Company owed £1,158 (2020: £2,843) to Mr S Denham, a director of the Company.

#### 17. Controlling party

The ultimate controller is Mr T Hughes by virtue of his majority ownership of the shares in the Company.

#### 18. Cash generated from operations

	2021 £	2020 £
Profit for the year after tax	24,300	169,255
<b>Adjustments for:</b>		
Depreciation of tangible fixed assets	9,468	7,338
<b>Movements in working capital:</b>		
Decrease in debtors	116,048	500,740
Increase/(decrease) in creditors	2,765	(55,156)
<b>Cash generated from operations</b>	<b>152,581</b>	<b>622,177</b>

# **TigerWit Limited**

## **Capital Requirements Directive Pillar 3 Disclosure For the year ended 31 March 2021**

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### **Capital requirements directive Pillar 3 disclosure**

#### **Verification**

This information has not been audited by the Company's external auditors and does not constitute any form of financial statement and must not be relied upon in making any judgement on TigerWit Limited.

#### **Introduction**

##### *Regulatory Context*

The Capital Requirements Directive ("the Directive") of the European Union established a regulatory capital framework across Europe governing the amount and nature of capital that must be maintained by credit institutions and investment firms. In the United Kingdom, the Directive has been implemented by the Financial Conduct Authority ('FCA') in its regulations through the General Prudential Sourcebook ('GENPRU') and the Prudential Sourcebook for Investment Firms ('IFPRU').

##### *Frequency*

The Firm makes Pillar 3 disclosures annually. The disclosures will be as at the Accounting Reference Date ("ARD") which is currently 31 March.

##### *Media and Location*

The disclosure is published only in the Firm's Accounts and will be available from the Registered Office on request.

##### *Materiality*

The Firm regards information as material in disclosures if its omission or misstatement could change or influence the assessment or decision of a user relying on that information for the purposes of making economic decisions. If the Firm deems a certain disclosure to be immaterial, it may be omitted from this statement.

##### *Risk Management*

The Firm is mindful of the FCA's expectations regarding confidentiality and that both qualitative and quantitative data must be disclosed.

As such, the Firm's policy is to disclose information required under the FCA Rules but to treat further information as proprietary if sharing that information with the public would undermine its competitive position. Proprietary information may include information on products or systems which, if shared with competitors, would render the Firm's investments therein less valuable. Further, the Firm will regard information as confidential if there are obligations to customers or other counterparty relationships binding the Firm to confidentiality. In the event that any such information is omitted, the Firm shall disclose such and explain the grounds why it has not been disclosed.

The FCA framework consists of three pillars. Pillar 1 deals with minimum capital requirements; Pillar 2 deals with Internal Capital Adequacy Assessment Process ("ICAAP") undertaken by the Firm and the Supervisory Review and Evaluation Process through which the regulator satisfies itself on the adequacy of capital held by the Firm in relation to the risks it faces and; Pillar 3 which deals with public disclosure of risk management policies, capital resources, capital requirements and remuneration policy. The regulatory aim of the disclosure is to improve market discipline and transparency.

The Firm is a full scope IFPRU investment firm and acts exclusively on a non-advised ("execution only") basis. No advice or recommendations are provided to clients. The Firm acts as principal to bilateral transactions with its clients in relation to the trading of CFDs and Spread Betting and as agent in providing share dealing. In either case, the Firm does not undertake proprietary trading.

## **TigerWit Limited**

### **Capital Requirements Directive Pillar 3 Disclosure (continued) For the year ended 31 March 2021**

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The Firm's key risks have been identified and grouped as either market, credit, liquidity, operational, business or people risks. The Firm has assessed these risks in its ICAAP and has set out appropriate actions to manage them.

#### *Market Risk*

As a principal and market maker in CFDs and Spread Betting, the Firm acts as principal in bilateral transactions with its clients. It does not engage in proprietary trading. The Firm's regulatory permission as a full scope IFPRU 730k investment firm allows it to internalise market risk according to defined risk limits. Other potential exposures are non-trading book exposures to foreign currency assets and liabilities held on our balance sheet.

Whilst the Firm may apply fees in foreign currencies these are converted to sterling upon receipt thus minimising any material exposure to currency risk on the balance sheet of the Company.

#### *Credit Risk, including Counterparty Credit Risk ("CCR")*

The Firm's principal exposure to credit risk are that clients or counterparties fail to make payments as required under the terms of the relevant contracts and the exposure to banks, liquidity providers or other counterparties where cash is held.

The Firm holds cash only with Banks assigned high credit ratings. Liquidity providers and other counterparties are appointed only after the successful completion of the Firm's due diligence processes. The Firm applies automated close out and negative balance protection to client positions which significantly reduces its exposure to credit risk. All client money is held in segregated bank accounts and neither belongs to nor can be used by either the Firm or the bank with whom the money is deposited.

#### *Liquidity Risk*

Liquidity risk is the risk that the Firm will encounter difficulty in meeting its financial obligations to suppliers or clients as well as the risk arising of the closure of client positions. The Firm's approach to liquidity is to ensure that as far as possible it will always have sufficient liquidity to meet its operating expenses and client settlement obligations. This is achieved by ongoing monitoring of the Firm's available working capital in proportion to the amounts due to clients and counterparties.

Any failure by the Firm to meet its payment obligations could result in market counterparties closing the Firm's hedging positions or failure to meet client withdrawal requests, either of which would have material adverse consequences for the Firm's business. The cash position of the Firm is therefore monitored closely and contingency plans are always in place to meet unexpected demands.

#### *Operational Risk*

Operational Risk is the risk of loss as a result of inadequate or failed internal processes, people, systems, and/or external events. The mitigation of this risk incorporates stringent IT controls and processes undertaken as well as the regulatory and contingency planning done at the Firm level. The Firm's operational risk appetite is conservative and it has implemented robust controls to mitigate the risk.

The Firm's staffing levels also provide a level of contingency cover in all critical business areas.

The Firm has documented contingency planning and disaster recovery procedures and these are regularly reviewed and tested.

# **TigerWit Limited**

## **Capital Requirements Directive Pillar 3 Disclosure (continued)** **For the year ended 31 March 2021**

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### *Business Risk*

Business risk means any risk to the Firm arising from changes in its business including:

- the acute risk to earnings posed by falling or volatile income;
- the broader risk of the Firm's business model or strategy proving to be inappropriate due to macro-economic, geopolitical, industry, regulatory or other factors; and
- the risk that the Firm may not be able to carry out its business plan and desired strategy.

The Firm considers that it has adequate capital to maintain the business at a viable level.

### *People Risk*

The senior management team is well established and a broad range of strategic initiatives and projects are in progress. Whilst the Firm recognises the risk arising out of recruitment as well as any failure to retain and develop its staff, it does not consider this risk to be significant.

## **Corporate Background**

### *The Firm*

The Firm is incorporated in the UK and is authorised and regulated by the FCA. The Firm's activities give it the IFPRU categorisation of a Full scope IFPRU €730k firm.

Given its categorisation, the Firm is considered a Proportionality tier three firm for the purposes of the FCA's Remuneration Code.

The Firm is not a member of a UK Consolidation Group and as such this disclosure covers the Firm on a solo basis.

## **Capital**

### *Capital Management*

The Firm's objectives when managing capital are to safeguard the Firm's ability to continue as a going concern and to ensure there is always adequate capital to meet trading requirements, margin requirements, ongoing working capital requirements and the FCA's capital requirements.

The Firm sets the amount of trading capital in proportion to risk and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets / liabilities. In order to maintain or adjust the capital structure, the Firm may issue new shares to its shareholders.

### *Capital Resources*

The Firm regards its capital resources to include all financial assets and liabilities, therefore the year end capital position was £2,102,651 (2020: £2,078,351).

### *Capital Requirement*

The Firm's regulatory capital requirement arising out of the Pillar 1 and Pillar 2 assessments is £1,181,447. As a result, the Firm held surplus capital of £921,204 at 31 March 2021.

## **Risk Management and Risk Categories**

For its Pillar 1 regulatory capital calculation of Credit Risk, the Firm has adopted the Standardised approach and applied the risk weightings in Part 3, Title II, Chapter 2 of the Capital Requirements Regulation.

# **TigerWit Limited**

## **Capital Requirements Directive Pillar 3 Disclosure (continued) For the year ended 31 March 2021**

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### *Risk Management Objective*

The Firm has a risk management framework which enables it to apply systems and controls to mitigate risk to meet its conservative risk appetite.

### *Governance Framework*

Mr Simon Denham and Mr Tim Hughes are the executive directors of TigerWit Limited. Mr Haitao Du and Mr James Manczak are non-executive directors of TigerWit Limited. The Board meets on a quarterly basis and executive directors meet on a weekly basis.

### *Risk Framework*

The Managing Board is responsible for risk management and reviews the effectiveness of the Firm's system of internal controls to manage and mitigate the identified risks.

The Firm has noted the FCA's proposals in relation to the Investment Firms Prudential Regime (IFPR) which is scheduled to take effect in January 2022. Whilst the precise nature of the Firm's obligations under the IFPR cannot be determined until the FCA has published its final rules, the Firm does not expect that the IFPR will have a material impact on its regulatory capital position.

The ICAAP is reviewed by the Managing Board of the Firm at least annually, or more frequently when a material change to the business occurs.

### *Disclosure: Credit Risk and Dilution Risk*

The Firm is primarily exposed to Credit Risk from the risk of non-collection of fees and the exposure to banks where cash is deposited.

The Firm holds all cash with UK or EU credit institutions.

### *Operational Risk*

The capital allocation is based on the Basic Indicator Approach (BIA) outlined in Part 3, Title III, Chapter 2 of CRR, which is 15% of the three-year average of the sum of gross profit. TWL's approach is consistent with Article 315 (2) of the CRR.

### *Disclosures: Exposures to Interest Rate Risk in the Non-Trading Book*

Although the Firm has substantial cash balances on its Balance Sheet, there is currently no significant exposure to Interest Rate Fluctuations.

### **Disclosures: Remuneration**

The FCA defines Remuneration Code Staff ("Code Staff") in SYSC 19A.3.4R as an employee of an IFPRU investment firm whose professional activities have a material impact on the firm's risk profile, including any employee who is deemed to have a material impact on the firm's risk profile in accordance with Regulation (EU) 604/2014 of 4 March 2014 (Regulatory technical standards to identify staff who are material risk takers).

The Firm has decided to treat all Directors as Code Staff.

The Board of TigerWit Limited is comprised of two executive directors and two non-executive directors. The non-executive directors are appointed to review and challenge the strategy and management of the business.

The Managing Board will consider the need to add any new joiners to the list of Remuneration Code Staff during the year.

## **TigerWit Limited**

### **Capital Requirements Directive Pillar 3 Disclosure (continued)** **For the year ended 31 March 2021**

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#### **Application**

Based on the Firm's profile, it has determined that it is a Proportionality Tier Three Investment Firm ("tier Three Firm") and adopted a proportioned approach to its remuneration policy. The Firm has considered its individual needs on an ongoing basis and where appropriate disapplied certain provisions in accordance with FCA and CEBS/EBA guidance. The Managing Board will review any provisions which have been disapplied on at least an annual basis, to ensure that it continues to be appropriate.

#### **Information concerning the decision-making process**

Due to the size of the Firm, it is not currently considered appropriate to have a separate Remuneration Committee. Instead this function is undertaken by the Managing Board. This will be kept under review and should the need arise, the Firm will consider amending this arrangement to deliver the appropriate oversight and control.

The Board of TigerWit Limited is responsible for ensuring that the remuneration policy is developed to align with its risk tolerance. No external consultants assisted in this review. Any person with a question regarding the policy or disclosures made under this policy should refer to the Directors who are members of the Managing Board.

#### **Information on the link between pay and performance**

A key objective in linking pay and performance is to align the interests of the Directors with the overall goal of achieving the best performance over the long-term for the Firm.

#### **Aggregate Value of Directors salaries for the year ended 31 March 2021**

To comply with the FCA remuneration disclosure requirement, the Firm discloses, as per the audited accounts, the total Directors salaries for the year ended 31 March 2021 as £355,797 (2020: £331,145).