

MKC INVESTMENT MANAGEMENT LIMITED
ANNUAL REPORT AND AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022



MKC INVESTMENT MANAGEMENT LIMITED

COMPANY INFORMATION

Directors	F E Athill M S Grierson D J W Rose S Shah
Registered number	13475203
Registered office	<i>From incorporation to 21 March 2022</i> C/O Cabot Square Capital LLP One Connaught Place London W2 2ET <i>From 22 March 2022 to 31 January 2023</i> 10-13 Lovat Lane EC3R 8DN <i>From 01 February 2023</i> Walsingham House 35 Seething Lane London EC3N 4AH
Independent auditor	BDO LLP 55 Baker Street London W1U 7EU
Banker	Barclays Bank UK PLC 1 Churchill Place London E14 5HP

MKC INVESTMENT MANAGEMENT LIMITED

CONTENTS

	Page
Strategic report	1 - 5
Directors' report	6 - 8
Independent auditor's report	9 - 12
Statement of comprehensive income	13
Balance sheet	14
Statement of changes in equity	15 - 16
Statement of cash flows	17
Notes to the financial statements	18 - 25

MKC INVESTMENT MANAGEMENT LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

The directors present the strategic report and the audited financial statements of MKC Investment Management Limited (the "Company") for the year ended 31 December 2022.

Principal activity

The principal activity of the Company is to deliver a range of discretionary management services to retail and professional clients. The Company received its regulatory permissions (MIFIDPRU) from the FCA for these activities on 19th of December 2022, and therefore has not traded during the year.

The Company is part of the Riviera Group (the "Group"), the principal activity of which is to operate a financial planning advisory business in the UK through its trading subsidiaries.

Financial review

During the year, the Company had not yet commenced trading but had incurred set up costs. It made a pre-tax loss of £66,335 (unaudited, as restated 2021: loss of £7,850). The net assets at year end stood at £175,815 (unaudited, as restated 2021: net liabilities £7,849).

The directors are satisfied with the performance of the Company and the operating results for the year ended 31 December 2022.

Key performance indicators

The Company is obliged to hold capital and liquid assets in order to meet regulatory capital requirements set by the FCA. As at the balance sheet date, the Company was required to hold liquid assets of £75,000 to meet the regulatory requirement for liquidity. It had a surplus in excess of this requirement of £64,504 which is held for future growth.

The directors will consider KPIs appropriate for assessing the performance of the Company and review them on a regular basis once the Company starts trading in 2023.

Principal risks and uncertainties

The Company is exposed to a variety of risks as a result of its principal activity. These risks include those resulting from its responsibilities in the areas of investment management, operating regulated investment products and day to day operational activities.

The Company has a low tolerance for risks that may adversely affect its business. As such, effective risk management is a core requirement and the Company actively monitors the potential impact of current and emerging risks. The Company places a significant focus on its values, the integrity and conduct of its staff and its risk management framework.

A description of the key business risks relevant to the Company are set out below. These risks are prevalent as the Company has started trading and are not all applicable to the financial year end 31 December 2022.

MKC INVESTMENT MANAGEMENT LIMITED

STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

Strategic risks

These risks relate to the Company's strategy and the environment in which it operates. If these risks are not carefully managed, assets under management may decrease and likewise the income the Company receives may fall in turn. The Company's senior management team meets regularly to discuss any major initiatives. A governance framework is in place to ensure that these initiatives are prioritised appropriately and that the associated risks are well managed and reported on. Strategic risks include:

- **Changing investor requirements** – Client requirements are evolving rapidly. Failing to adapt or evolve our business model and product range to reflect changing investor requirements could lead to a drop in assets under management. This includes certain products where the Company does not currently offer a capability. Our value proposition is based on our strategic capabilities, focusing attention where we believe we are able to make a significant difference for our clients or where we have current or emerging capabilities.
- **Regulatory landscape** – The growing scope and complexity of regulation is placing an increasing burden on regulated entities both in terms of resources and costs. The Company continuously monitors the regulatory landscape to identify new and emerging regulatory trends.
- **Conduct and regulatory risk** – The risks from inappropriate conduct, conflict management, practice or behaviour resulting in detriment and client harm, or market abuse, or of failing to meet regulatory requirements and changes. The Company promotes and requires high standards of conduct and compliance without exception with regards to the integrity of its employees. The Company promotes a strong compliance culture among all its staff through communication of its mission statement and values, policies and procedures, appropriate governance, monitoring and assurance activities, staff training, appropriate remuneration structures and the annual appraisal process.
- **Business model disruption** – The Company's business model could be disrupted by a range of external factors including technology changes, product evolution and market participants. It is of utmost importance that the Company ensures the long-term viability of its business model in tandem with the changing industry and market landscapes. Initiatives are in progress to continue enhancing the client experience, engagement and servicing, and investments continue to be made in our technology platform to support scalability and agility in our product offering.

Operational risks

Operational risks are inherent in all activities and processes. When operational risk events occur, this may impact the Company's clients and its ability to serve them. The Company may be liable for financial losses or fines, which could affect its business performance and may weaken our standing with stakeholders. The Company manages risk events through identification, reporting and resolution so as to prevent risk events from recurring. The significant operational risks that the Company faces include:

- **Legal risk** – The risk that the Company, its clients, suppliers or other third parties fail to meet or record legal or regulatory obligations, and related disputes. The Company has a zero tolerance for contractual disputes with clients or other third parties or regulatory sanctions.
- **Process risk** – Defined as the risk of failure of significant business processes, such as mandate compliance, client suitability checks and financial crime risk management. The Company's processes and controls are suitably designed and operated to ensure that its customer transactions, financial records and other critical business activities are processed accurately, robustly and securely. The Company ensures that its control objectives with regard to these processes are identified and actioned and ensure that any risks are mitigated to within accepted levels.
- **People and employment practices risk** – The risk that the Company is unable to attract, retain or develop key employees to support our business, offer an attractive value proposition under remuneration regulations or maintain high standards in employment practices. The Company aims to manage employment issues appropriately and handle them consistently, fairly and in compliance with UK regulations.

MKC INVESTMENT MANAGEMENT LIMITED

STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

Operational risks (continued)

- **Technology risk** – The risk that a change or failure in technology could pose a risk to the integrity or availability of the services provided by the Company. Policies and technical standards are deployed, together with robust project and change management processes, which cover the assessment of business requirements, risk and scalability.
- **Information security risk** – The risk that arises if the Company's technology is compromised or inadequate, resulting in the confidentiality, integrity or availability of its clients' and own data or the Company's services being negatively impacted. To address this risk, the Company aims for strong internal control processes and the development of robust technology solutions.

Business risks

In executing its strategy, a number of key risks arise that could impact the Company's ability to attract and retain clients. By evolving its product offering and delivering good service and performance, the Company will have the best opportunity to be selected and retained by clients. Business risks include:

- **Reputational risk** – Reputation risk may arise from poor conduct or judgements or risk events due to weaknesses in systems of controls. The Company seeks to minimise the impact of events that can damage its reputation through its management processes and scenario planning. The Company does not seek short-term profits at the expense of its long-term reputation and considers reputational risks when initiating changes to its strategy or operating model.
- **Investment performance risk** – This is the risk that investments managed by the Company will not meet their investment objectives or that there is a failure to deliver consistent performance, resulting in investors moving assets away, or a failure to attract new assets. The Company has no tolerance for managing portfolios outside their stated investment process and investment guidelines and has clearly defined investment processes which seek to meet investment objectives within stated risk parameters. Oversight of both risk and performance is embedded in the Company's business processes and governance.
- **Liquidity risk** – The risk that the Company faces should it not be able to meet its contractual/payment obligations in a timely manner. The Company manages this risk by maintaining a sufficient level of liquid resources.
- **Market risk** – Market risk arises from market movements, which can cause a decline in the value of assets under management. The Company's revenues are linked to its assets under management.
- **Risk in relation to the conflict between Russia and Ukraine** – The Company has no exposure to assets in Russia in their assets under management.
- **Capital risk** – The risk of the Company having insufficient capital if it were not able to comply with its FCA regulatory requirements. These requirements are in place to ensure the Company has sufficient capital in place to conduct our business in compliance with the FCA regulations. The Company has a zero tolerance of insufficient capital. On a monthly basis, the Company prepares monthly accounts disclosing compliance with its capital requirements.

MKC INVESTMENT MANAGEMENT LIMITED

STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

Going concern

The Company was in a net current asset position of £139,504 (unaudited, as restated 2021: net current liability £7,849) and the net asset position of £175,815 (unaudited, as restated 2021: net liability £7,849). It was non-trading during the year and obtained its regulatory permissions to carry out discretionary fund management services from the FCA on the 19th of December 2022. Post year end the Company has Assets under Management (AUM) from clients that have been secured and has further clients in the pipeline. It has received funds of £249,999 during the year from a share issuance to the parent company, Riviera Group Bidco Limited. The firm is IFPR regulated and has to meet a minimum capital adequacy requirement. The directors have prepared forecasts for a period of at least 12 months from the date of signature of these financial statements. At the balance sheet date the Company had a surplus in excess of the capital adequacy requirement of £64,504 and is projected to meet the requirement over at least the next twelve months from signature of these financial statements. The parent company is committed to providing the Company with additional capital, should it be required. The directors have stress tested the business model where base expectations have been set prudently and have risk controls in place to minimise any negative effect. As from March 2023 the Company has started to generate income from providing discretionary management services and expenses incurred by the Company continue to be settled by group entities on its behalf until it has generated sufficient income to be self-sufficient. The group entities have confirmed that they will not call on the amounts owed to them for the next 18 months from signing these financial statements.

The directors of the Company, as at the date of the report, consider that the Company has sufficient resources to operate as a fully operational business for the period of at least 12 months following the signing of these accounts, and therefore have determined that the preparation of the financial statements on a going concern basis is appropriate.

Future plans and long-term strategy

The Company commenced trading on 1st of January 2023 and is to provide a range of discretionary management services to retail and professional clients. The Company has a pipeline of potential clients, who are referred in circumstances where the Company's services are suitable, which it started converting to clients shortly after launch. Over the longer term the Company expects to become a leading provider of its services.

Section 172(1) statement

The directors of the Company confirm they have acted in a way they consider, in good faith, that would be most likely to promote the success of the Company for the benefit of its members as a whole. The information set out below highlights some of the ways the requirements of Section 172(1) of the Companies Act have been considered and achieved:

MKC INVESTMENT MANAGEMENT LIMITED

**STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022**

Section 172(1) statement (continued)

s.172(1) decision making factors

Company deliverables during FY22

(a) the likely consequences of any decision in the long term.

The Company has a rolling 3-year business plan, which the Board regularly review and track progress against.

The Company made investment in systems to enhance its investment management oversight capabilities as well as the client experience, acknowledging the investment was required to support the Company's growth plans.

(b) the interests of the Company's employees.

The Company had no employees in 2022.

(c) the need to foster the Company's business relationships with suppliers, customers and others.

The Company is a keen advocate of participation with industry bodies and attended a number of meetings with the Fund Managers.

Regular review meetings are held with all key suppliers.

(d) the impact of the Company's operations on the community and the environment.

The Company supports sustainable environmental policies with current initiatives including building a tech enabled service delivery plan that links into consumer duty outcomes as set by the FCA.

(e) the desirability of the Company maintaining a reputation for high standards of business conduct.

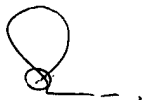
The Company's values and strategic aims are designed to drive high standards of conduct and promote ethical behaviour and integrity.

The Company is ultimately wholly owned by Riviera Group Holdco Limited. The Company seeks to enhance shareholder value through developing the business in line with the approved business plan.

(f) the need to act fairly as between members of the Company.

The Board regularly reviewed reports from the executive team to ensure the Company is delivering to its obligations to shareholders.

This strategic report was approved by order of the Board on 05 May 2023.



.....
S Shah
Director

Date: 5th May 2023

MKC INVESTMENT MANAGEMENT LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

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

Principal activity

The principal activity of the Company is to deliver a fee based range of discretionary management services to retail and professional clients. The Company received its regulatory permissions from the FCA for these activities on 19th of December 2022.

Results and dividends

In the year, the Company had not commenced trading and incurred set up costs.

It made a pre-tax loss of £66,335 (*unaudited, as restated 2021 - loss of £7,850*).

No dividend was issued or paid in 2022 (*unaudited, 2021 - Nil*).

Donations

No political or charitable donations were made during the year (*unaudited, 2021 - Nil*).

Financial instruments

The financial instruments of the Company are disclosed in note 11 of these financial statements. The main financial risks arising from these financial instruments are credit risk in relation to cash and cash equivalents and liquidity risk in relation to trade creditors, inter-company creditors and accruals. The Company is not exposed to interest rate risk. The exposure to these risks is given in note 11.

Directors

The directors who served during the year and at the date of signature were:

F E Athill
M S Grierson
D J W Rose
S Shah

Directors' and officers' insurance and indemnities

Professional indemnity insurance during the year was taken out by MKC Wealth Ltd, a group entity, as the Company did not commence trading until 2023. There was directors' and officers' insurance in place during the year by the ultimate parent company, Riviera Group Holdco Limited. There were no third-party indemnity provisions at year end (*unaudited, 2021 – Nil*).

MKC INVESTMENT MANAGEMENT LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

Directors' responsibilities statement

The directors are responsible for preparing the directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 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 for the Company's financial statements 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and to 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.

Significant events during the year

The Company received its regulatory permissions from the FCA for its regulated activities on 19th December 2022. The outbreak of the war in Ukraine in Q1 of 2022 did not have any direct impact on the Company.

Carbon report

The Company is not required to report on guidelines complying with the Streamlined Energy and Carbon Reporting (SECR) regulations. The directors are cognisant of the impact of climate change on the environment and global economies. They have taken appropriate steps to ensure the Company minimises its carbon footprint, for example reducing paper usage, internal recycling efforts and holding meetings by video conference.

MKC INVESTMENT MANAGEMENT LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022**

Auditor

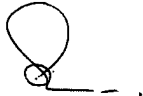
Under section 487(2) of the Companies Act 2006, BDO LLP will be deemed to have been reappointed as auditors 28 days after these financial statements were sent to the members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier.

Disclosure of information to the auditor

Each of the persons whom are directors at the time when this directors' report is approved has confirmed that:

- as far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

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



.....
S Shah
Director

Date: 05 May 2023

MKC INVESTMENT MANAGEMENT LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MKC INVESTMENT MANAGEMENT LIMITED

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2022 and of its loss 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.

We have audited the financial statements of MKC Investment Management Limited (the "Company") for the year ended 31 December 2022 which comprise the statement of comprehensive income, the balance sheet, the statement of changes in equity, the 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 Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

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.

Other matter

The corresponding figures are unaudited.

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.

MKC INVESTMENT MANAGEMENT LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MKC INVESTMENT MANAGEMENT LIMITED (CONTINUED)

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report and audited financial statements other than the financial statements and our auditor's report thereon. 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.

Other Companies Act 2006 reporting

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.

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, 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.

MKC INVESTMENT MANAGEMENT LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MKC INVESTMENT MANAGEMENT LIMITED (CONTINUED)

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.

Extent to which the audit was capable of detecting irregularities, including fraud

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 performed risk assessment procedures to identify the risk of material misstatement due to irregularities including fraud (fraud risks) and identified events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. We considered the following:

- We reviewed minutes of board meetings in order to identify any non-compliance with laws and regulations;
- We have reviewed cash movements pre year end and post year end for any indicators of unusual transactions; and
- We have communicated relevant identified laws and regulations and potential fraud risks to all engagement team members to ensure we remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.
- We have addressed fraud risk of management override of controls by including procedures designed to identify and test journal entries based on risk criteria and agreeing these entries to supporting documentation.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

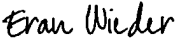
A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

MKC INVESTMENT MANAGEMENT LIMITED

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MKC INVESTMENT MANAGEMENT
LIMITED (CONTINUED)**

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.

DocuSigned by:

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Eran Wieder (Senior Statutory Auditor)
For and on behalf of BDO LLP, Statutory Auditor
London, UK
05 May 2023

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

MKC INVESTMENT MANAGEMENT LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2022**

		31 December 2022	<i>Unaudited, as restated 24 June 2021 to 31 December 2021</i>
	Note	£	£
Administrative expenses		(66,335)	(7,850)
Operating loss and loss before tax		(66,335)	(7,850)
Tax charge	6	-	-
Loss for the financial year		(66,335)	(7,850)

There was no other comprehensive income for 2022 (unaudited, 2021: £Nil).

The statement of comprehensive income has been prepared on the basis that all operations are continuing operations.

The comparative numbers have been restated as a result of an incorrectly recognised provision as described in note 14.

The notes on pages 18 to 25 form part of these financial statements.

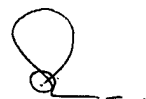
MKC INVESTMENT MANAGEMENT LIMITED
REGISTERED NUMBER: 13475203

BALANCE SHEET
AS AT 31 DECEMBER 2022

	Notes	2022 £	Unaudited, as restated 2021 £
Fixed assets			
Intangible assets	7	36,311	-
		<u>36,311</u>	<u>-</u>
Current assets			
Debtors: amounts falling due within one year	8	-	1
Cash at bank	9	250,000	-
		<u>250,000</u>	<u>1</u>
Creditors: amounts falling due within one year	10	(110,496)	(7,850)
Net current assets/(liabilities)		<u>139,504</u>	<u>(7,849)</u>
Total assets less current liabilities		<u>175,815</u>	<u>(7,849)</u>
Net assets/(liabilities)		<u>175,815</u>	<u>(7,849)</u>
Capital and reserves			
Called up share capital		250,000	1
Accumulated loss		(74,185)	(7,850)
Total equity		<u>175,815</u>	<u>(7,849)</u>

The comparative numbers have been restated as a result of an incorrectly recognised provision as described in note 14.

The financial statements were approved and authorised for issue by the Board and were signed on its behalf by:



.....
S Shah
 Director

Date: 5th May 2023

The notes on pages 18 to 25 form part of these financial statements.

MKC INVESTMENT MANAGEMENT LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Called up share capital	Accumulated loss	Total equity
	£	£	£
At 1 January 2022 (as previously stated, unaudited)	1	(17,850)	(17,849)
Prior year adjustment (Note 14)	<u>-</u>	<u>10,000</u>	<u>10,000</u>
At 1 January 2022 (as restated)	1	(7,850)	(7,849)
Comprehensive income for the year			
Loss for the year	-	(66,335)	(66,335)
Contributions by and distributions to owners			
Shares issued during the year	249,999	-	249,999
At 31 December 2022	<u><u>250,000</u></u>	<u><u>(74,185)</u></u>	<u><u>175,815</u></u>

The notes on pages 18 to 25 form part of these financial statements.

MKC INVESTMENT MANAGEMENT LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 24 June 2021	1	-	1
Comprehensive income for the period			
Loss for the period, as restated	-	(7,850)	(7,850)
At 31 December 2021 (unaudited)	<u>1</u>	<u>(7,850)</u>	<u>(7,849)</u>

The notes on pages 18 to 25 form part of these financial statements.

MKC INVESTMENT MANAGEMENT LIMITED

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2022**

		2022 £	<i>Unaudited, as restated 2021 £</i>
	Notes		
Cash flows from operating activities			
Loss for the financial year		(66,335)	(7,850)
Adjustments for:			
Decrease in debtors	8	1	-
Increase in trade and other creditors	10	102,646	7,850
Net cash generated from operating activities		<u>36,312</u>	<u>-</u>
Cash flows from investing activities			
Purchase of intangible assets	7	(36,311)	-
Net cash used in investing activities		<u>(36,311)</u>	<u>-</u>
Cash flows from financing activities			
Issue of ordinary shares	12	249,999	-
Net cash used in financing activities		<u>249,999</u>	<u>-</u>
Net increase in cash and cash equivalents		<u>250,000</u>	<u>-</u>
Cash and cash equivalents at the end of year	9	<u>250,000</u>	<u>-</u>
Cash and cash equivalents at the end of year comprise:			
Cash at bank		<u>250,000</u>	<u>-</u>

The comparative numbers have been restated as a result of an incorrectly recognised provision as described in note 14.

The notes on pages 18 to 25 form part of these financial statements.

MKC INVESTMENT MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

1. General information

MKC Investment Management Limited (the "Company") is a private company limited by shares, incorporated in England and Wales. Its registered office is Walsingham House, 35 Seething Lane, London, EC3N 4AH.

The principal activity of the Company is as stated in the strategic report.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland ("FRS 102"), and the Companies Act 2006.

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

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Going concern

The Company was in a net current asset position of £139,504 (unaudited, as restated 2021: net current liability £7,849) and the net asset position of £175,815 (unaudited, as restated 2021: net liability £7,849). It was non-trading during the year and obtained its regulatory permissions to carry out discretionary fund management services from the FCA on the 19th of December 2022. Post year end the Company has Assets under Management (AUM) from clients that have been secured and has further clients in the pipeline. It has received funds of £249,999 during the year from a share issuance to the parent company, Riviera Group Bidco Limited. The firm is IFPR regulated and has to meet a minimum capital adequacy requirement. The directors have prepared forecasts for a period of at least 12 months from the date of signature of these financial statements. At the balance sheet date the Company had a surplus in excess of the capital adequacy requirement of £64,504 and is projected to meet the requirement over at least the next twelve months from signature of these financial statements. The parent company is committed to providing the Company with additional capital, should it be required. The directors have stress tested the business model where base expectations have been set prudently and have risk controls in place to minimise any negative effect. As from March 2023 the Company has started to generate income from providing discretionary management services and expenses incurred by the Company continue to be settled by group entities on its behalf until it has generated sufficient income to be self-sufficient. The group entities have confirmed that they will not call on the amounts owed to them for the next 18 months from signing these financial statements.

The directors of the Company, as at the date of the report, consider that the Company has sufficient resources to operate as a fully operational business for the period of at least 12 months following the signing of these accounts, and therefore have determined that the preparation of the financial statements on a going concern basis is appropriate.

2.3 Administrative expenses

Administrative expenses are recognised on an accruals basis in the period in which they arise.

MKC INVESTMENT MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

2. Accounting policies (continued)

2.4 Taxation

Tax is recognised in the statement of comprehensive income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current corporation tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted at the balance sheet date. There is no deferred tax.

2.5 Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

The estimated useful lives range as follows:

Bespoke computer software	-	10	years
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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 the statement of comprehensive income.

2.6 Debtors

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.7 Cash and cash equivalents

Cash is represented by deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the statement of cash flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Company's cash management. There is no bank overdraft at both year ends presented.

2.8 Creditors

Short-term creditors are measured at the transaction price plus attributable transaction costs. Other financial liabilities are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.9 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities including trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

MKC INVESTMENT MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

2. Accounting policies (continued)

2.9 Financial instruments (continued)

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the statement of comprehensive income.

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

3. Judgements in applying accounting policies 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.

There is no significant judgement or estimate included in these financial statements.

4. Auditors' remuneration

During the year, the Company obtained the following services from the Company's auditor:

	31 December 2022 £	Unaudited 24 June 2021 to 31 December 2021 £
Fees payable to the Company's auditor for the audit of the Company's statutory financial statements	10,000	-

5. Directors' remuneration

None of the directors generate remuneration from providing services to the Company (unaudited 2021: £Nil), and there is no allocation of their fees from other group entities.

6. Taxation

	31 December 2022 £	Unaudited 24 June 2021 to 31 December 2021 £
UK Corporation tax		
Current tax	-	-
Deferred tax	-	-
Total tax charge	-	-

MKC INVESTMENT MANAGEMENT LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

6. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is lower than (*2021 – lower than*) the standard rate of corporation tax in the UK of 19% (*2021 - 19%*). The differences are explained below:

	31 December 2022 £	<i>Unaudited 24 June 2021 to 31 December 2021 £</i>
Loss on ordinary activities before tax	<u>(66,335)</u>	<u><i>(7,850)</i></u>
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (<i>2021 - 19%</i>)	(12,604)	<i>(1,492)</i>
Effects of:		
Group relief to group sister entity	12,604	<i>1,492</i>
Total tax charge for the year / period	<u>-</u>	<u><i>-</i></u>

Factors that may affect future tax charges

Tax losses of £66,335 (unaudited, as restated 2021: £7,850) have been group relieved to MKC (Carrwood) Limited.

The Finance Act 2021 was substantially enacted in May 2021 and has increased the corporation tax rate from 19% to 25% for companies with profits of £250,000 and over with effect from 1 April 2023. The rate has not been substantively enacted at the balance sheet date.

MKC INVESTMENT MANAGEMENT LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

7. Intangible assets

	Computer software £
Cost	
Additions	36,311
At 31 December 2022	<u>36,311</u>
Net book value	
At 31 December 2022	<u><u>36,311</u></u>
At 31 December 2021 (<i>Unaudited</i>)	<u><u>-</u></u>

No amortisation was charged on the intangible assets considering the short period between acquisition date and year end date.

8. Debtors

	2022 £	<i>Unaudited</i> 2021 £
Amounts owed by group undertakings	-	1
	<u>-</u>	<u>1</u>

The comparative amount due from group undertakings relates to share capital issued to the Company's parent company, Riviera Group Bidco Limited, and was settled during the year.

9. Cash and cash equivalents

	2022 £	<i>Unaudited</i> 2021 £
Cash at bank	<u><u>250,000</u></u>	<u><u>-</u></u>

MKC INVESTMENT MANAGEMENT LIMITED

**SCHEDULE TO THE DETAILED ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

10. Creditors: Amounts falling due within one year

	2022 £	<i>Unaudited, as restated</i> 2021 £
Trade creditors	43,392	-
Amounts owed to group undertakings	49,688	6,800
Accruals	17,416	1,050
	<u>110,496</u>	<u>7,850</u>

The amounts owed to group undertakings relate to the Company's fellow subsidiary, MKC Wealth Ltd, and the Company's parent company, Riviera Group Finance Limited, for expenses borne on behalf of the Company. These amounts are interest-free, unsecured and repayable on demand.

The comparative numbers have been restated as a result of an incorrectly recognised provision as described in note 14.

11. Financial instruments

	2022 £	<i>Unaudited</i> 2021 £
Financial assets		
Cash and cash equivalents	250,000	-
Financial liabilities		
Financial liabilities measured at amortised cost	<u>110,416</u>	<u>7,850</u>

Financial liabilities measured at amortised cost comprise trade and intercompany creditors and accruals.

There have been no substantive changes to the Company's exposure to financial instrument risks, its objectives, policies and processes for managing those risks or the methods used to measure them from the previous period unless otherwise stated in this note.

MKC INVESTMENT MANAGEMENT LIMITED

**SCHEDULE TO THE DETAILED ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

11. Financial instruments (continued)

Credit risk

The Company has credit risk exposure to banks and other affiliates arising from funds deposited with these institutions. The Company mitigates the risk to its own funds by ensuring that counterparties are well capitalised institutions.

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting was in relation to the cash at bank balance of £250,000 (unaudited, 2021: £Nil).

Liquidity risk

Liquidity risk is the risk that the Company is unable to meet its payment obligations associated with its financial liabilities when they fall due. The Company seeks to manage financial risk by ensuring sufficient liquidity is available to meet foreseeable needs.

12. Share capital

	2022 £	Unaudited 2021 £
Allotted, called up and fully paid		
250,000 (2021 - 1) Ordinary shares of £1.00 each	<u>250,000</u>	<u>1</u>

During the year 249,999 ordinary shares were allotted at a value of £1 each.

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

13. Reserves

Profit and loss account

All reserves in respect of profit and loss are distributable reserves.

14. Prior year adjustment

The comparative numbers have been restated to reverse an incorrectly booked accrual of £10,000 which did not meet the required conditions per the accounting standards for recognition. The change has resulted in a £10,000 decrease in retained earnings and creditors in 2021.

MKC INVESTMENT MANAGEMENT LIMITED

**SCHEDULE TO THE DETAILED ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

15. Related party transactions

At the balance sheet date, the Company was owed £Nil (unaudited 2021: £1) from Riviera Group Bidco Limited, its parent company, and owed £18,141 (unaudited 2021: £Nil) and £31,547 (unaudited 2021: £6,800) to Riviera Group Finance Limited, its parent company, and MKC Wealth Ltd, its fellow subsidiary, respectively. All transactions between the companies relate to payments made on behalf of fellow group members in the general course of trade.

16. Controlling party

The immediate parent company is Riviera Group Bidco Limited, a company registered in Jersey. The registered office is 3rd Floor, 44 Esplanade, St Helier, Jersey, JE4 9WG.

The ultimate parent company is Riviera Group Holdco Limited, a company registered in Jersey. The registered office is 3rd Floor, 44 Esplanade, St Helier, Jersey, JE4 9WG.

The ultimate controlling party is CS Capital Partners V (Jersey) LP by virtue of its majority shareholding in the ultimate parent company, Riviera Group Holdco Limited.

17. Post balance sheet events

There has not been any significant event since the end of the financial year which require disclosure in these financial statements other than that the Company has started to trade and has been generating revenue from clients that have been secured.