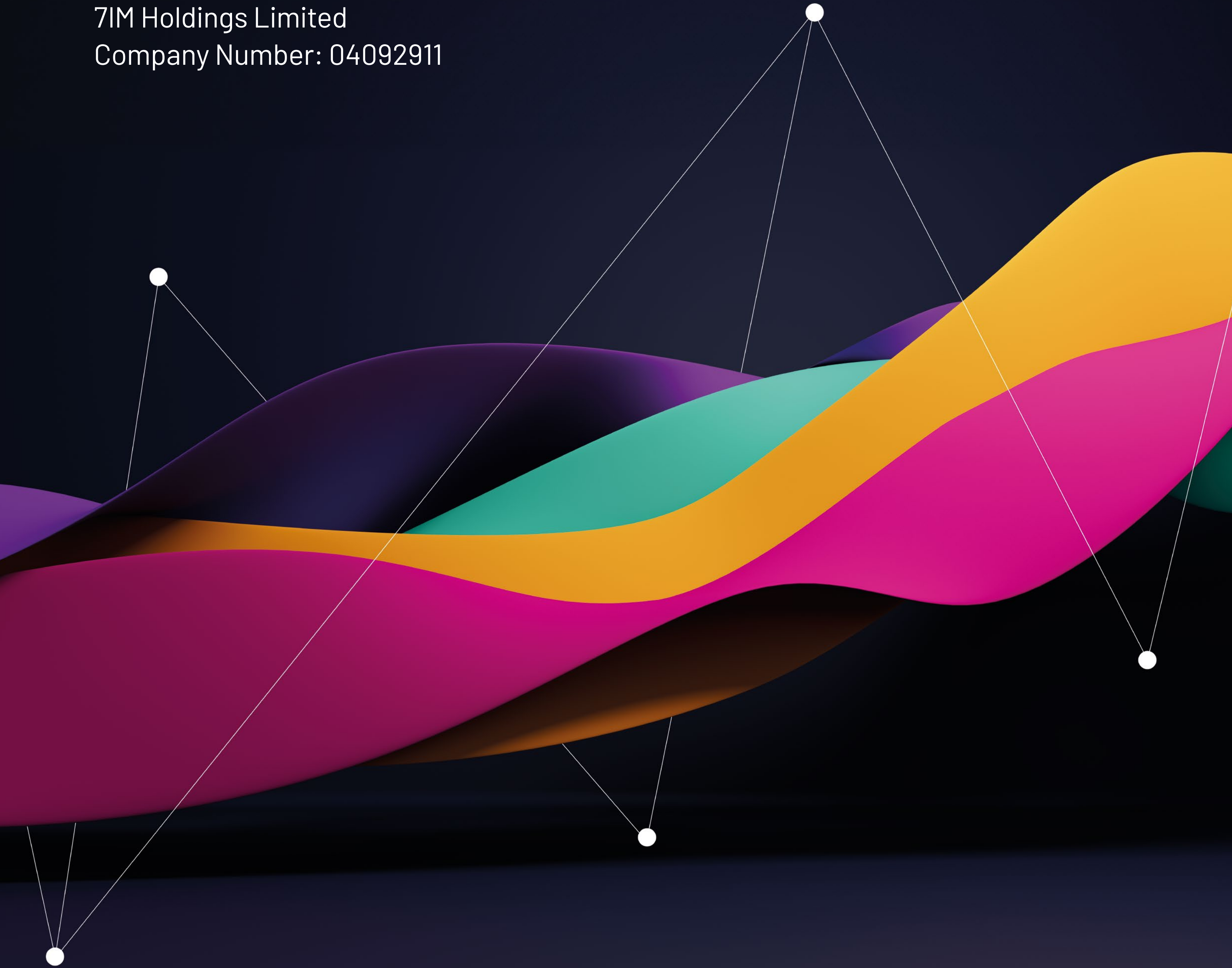
Annual report and audited consolidated financial statements

Year ended 31 December 2023
7IM Holdings Limited
Company Number: 04092911



Succeeding together

7IM

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Company information

Company Registration Number: 04092911

Registered office: 1 Angel Court, London EC2R 7HJ

Independent auditor: BDO LLP, 55 Baker Street, London W1U 7EU

Directors

The Directors of the Company who were in office at the date of signing the financial statements were:

A T Grace

Chairman

D M Proctor

Director

D R Walker

Director

D T M Young

Director

C C Goodman

Director

I E Larranaga

Director

S Yates

Director

Indigo Corporate Secretary Limited

Company Secretary

Strategic report

For the year ended 31 December 2023

The Directors present their strategic report for 7IM Holdings Limited (the 'Company') for the year ended 31 December 2023.

Review of the business and performance

The Company is part of the Caledonia Thames Holdings (Jersey) Limited Group, and together with underlying subsidiaries, namely Caledonia Thames Group (Jersey) Limited, Caledonia Thames Acquisitions (Jersey) Limited (the Company's immediate parent), Seven Investment Management LLP ("7IM LLP"), 7IM Investment and Retirement Solutions Limited, Partners Wealth Management LLP ("PWM LLP"), Amicus Wealth Limited, Find A Wealth Manager Limited ("FAWM"), 7IM Trustees Limited, 7IM Limited (dormant) and CAP Partners Ltd. They are collectively known as the 'Group'. The Group excluding the three Jersey companies is known as the 'UK Group', of which the Company is the parent.

At the reporting date, the LLP's ultimate parent company and ultimate controlling party was Caledonia Investments plc. On the 18 January 2024, Ontario Teachers' Pension Plan Board ("OTPP") completed its acquisition of a majority holding in the overall Group (see note 29 for further information).

The principal business of the Company is as the Corporate Member of Seven Investment Management LLP and Partners Wealth Management LLP. The Company is also the parent company of 7IM Investment and Retirement Solutions Limited, Find A Wealth Manager Limited, Amicus Wealth Limited and CAP Partners Limited. The Company does not undertake any trading activity in its own right and as such does not employ any staff.

The main business carried out by the UK Group is the provision of investment management and financial advisory services to individual clients and a range of Open Ended Investment Companies and Model Portfolios, as well as wrap platform services to financial intermediaries. The acquisition of Amicus Wealth Limited has added additional income streams to the UK Group.

The Company made a profit after tax for the year of £12.6m (2022: £15.4 million).

The UK Group's profit before tax for the year ended 31 December 2023 was £11.4 million (2022: £15.2 million). The business of Seven Investment Management LLP has performed well in 2023 in light of the challenging economic environment during the year (details are included in the Strategic Report within the financial statements of Seven Investment Management LLP). Profits allocated to the Company from Seven Investment Management LLP amounted to £11.7 million for the year (2022: £13.3 million). Profits for the year allocated to the Company from Partners Wealth Management LLP amounted to £5.8 million (2022: £4.9 million).

Administrative expenses for the UK Group increased by £7.1m to £65.5m for the year (2022: £58.4m). Part of the reason for increased costs in the year was the office move, where Seven Investment Management LLP consolidated its offices from four down to two, increasing rent for a period whilst exiting two offices in London and moving into a new, single office.

The fitout costs incurred on the new offices and the recognition of right of use assets on the leases has led to an increase in the groups non-current assets.

On 8 December 2023 the Company acquired Amicus Wealth Limited, a London based financial advisory firm with £1.0bn of assets under management, which provides financial advisory services to high net worth clients. Amicus Wealth Limited will continue to operate as an independent brand but is now operating as an Appointed Representative of Seven Investment Management LLP (a fellow subsidiary). Amicus Wealth Limited continues with its existing advisers but has become a restricted 7IM business supported by the Group functions and integrated with Seven Investment Management LLP.

The UK Group has continued to operate under an agile working approach throughout 2023, with staff being offered the flexibility to work from either the office or remotely, depending on their circumstances.

Over the course of 2023 the UK Group has continued to invest in its staff development and culture programme, termed 'Succeeding Together', helping the UK Group to refresh and reset its culture. As part of the programme, at the end of 2023, the UK Group held 20 cultural advancement events with colleagues across London and Edinburgh.

Business development

During 2023, the UK Group expanded its retirement proposition by launching the 7IM Retirement Income Solution ("RIS") on the 7IM Platform. RIS is a highly bespoke and innovative solution for financial advisers designed to support their clients' retirement plans by giving them the confidence that their retirement income can be maintained while ensuring the flexibility to adapt when personal circumstances change. A key feature of RIS is that it uses a bucketing approach to manage retirement income over multiple time horizons, as well as multiple tax wrappers.

2023 continues to be a year of investment in technology with the Board approving the commencement of the Space programme focused on the 7IM platform and supporting growth capability in line with the strategic growth objectives. The platform development is expected to continue for the next 3 years.

In line with the sustainable choices underpinning its corporate social responsibility, the UK Group underwent a property consolidation exercise through which they moved from two offices in each of London and Edinburgh into a single office in each location. The resulting consolidation of office space into more energy efficient buildings is expected to lead to a decrease in carbon intensity in the future. The UK Group remains committed to being carbon neutral and works in partnership with the World Land Trust to offset any unavoidable emissions through carbon credits. As part of the office consolidation the UK Group has recognised an increase in right of use assets of £6.6m and an increase in leasehold improvements of £5.2m (of which £3.2m related to gain on revaluation).

As part of its commitment to continue delivering good client outcomes, the Company regularly reviews its price and value assessment of its existing and new products & services, whilst ensuring they meet the needs of our clients through ongoing monitoring, testing of consumer understanding and delivery of consumer support.

Profits for the year allocated to the Company from

7IM

£11.7 million

Partners Wealth Management LLP continued to perform strongly and had another year of record revenues. During the year they also won several awards, including the Excellence in Investment Planning (UK) award at the International Adviser Best Practice Awards, awarded Top Firm at the 2023 Mortgage Intelligence's Awards and the CityWise London Adviser Firm of the Year Award.

Find A Wealth Manager Limited also continues to grow, with 2023 being a record year for revenues with enquiries, referrals and conversions continue to perform well over the course of the year. Revenues increased by 15% year on year to £1.2 million (2022: £1.1 million).

Subsequent to the year end, on the 18 January 2024, OTPP completed its acquisition of a majority stake in the overall 7IM Group. The acquisition by OTPP sees 7IM partner with an investor that shares the same ambitions, cultures and values as 7IM.

OTPP has a strong reputation for investing in established businesses, partnering with management teams to build value in their businesses over the long term. OTPP are supportive of the 7IM strategic growth objectives to grow both organically and inorganically.

KPIs

The Company's main KPI is profit share received from subsidiaries. Profits allocated to the Company from Seven Investment Management LLP amounted to £11.7 million for the year (2022: £13.3 million). Profits for the year allocated to the Company from Partners Wealth Management LLP amounted to £5.8 million (2022: £4.9 million).

The UK Group's KPIs relate to revenue and profit achieved during the year.

UK Group revenue increased by 7%, increasing from £92.5 million for the year ended 31 December 2022 to £99.1 million for the year ended 31 December 2023.

UK Group profit before tax for the year ended 31 December 2023 was £11.4 million, a 25% decrease on the prior year's figures of £15.2 million.

Principal risks and uncertainties

As a result of the acquisition of Partners Wealth Management ("PWM") LLP by 7IM Holdings Limited in September 2020 , the payment for the Members Capital Rights ("MCR") was triggered. However, the Ordinary Members waived their rights to payments under the MCR at that time and instead entered into an amended and restated PWM LLP deed and an amended and restated Ordinary Member's agreement with PWM LLP. In this revised agreement, the Ordinary Members subscribed to new MCR units on terms substantially similar to those outlined in the original deed, with the exit event being the sale or the disposal of substantially all assets of PWM LLP, 7IM,the Topco,or the listing of Topco's ordinary shares. The potential exit event was triggered when Ontario Teachers' Pension Plan Board acquired the majority stake in the 7IM consolidated group as described in Note 29 and would ultimately occur on the completion of the acquisition on 18 January 2024, subsequent to the financial year-end. At the reporting period end, it was expected that the completion would occur, but it was not a certainty. Given that the exit wasn't certain at 31 December 2023 and the obligation could possibly reside with either the

PWM, the Company or the relevant purchaser, the Directors consider the economic outflow to the entity to be remote and are recognising the possible obligation in relation to the MCR's of £16.4m as a contingent liability.

The Company operates as as Corporate Member and Holding Company and there is no trading activity within the business. As such, credit, risk, interest rate risk and market risk are limited.

The principal risks for the UK Group relate to Operational, Market, Regulatory, Liquidity, Conduct and Credit risks. These risks are analysed in more detail in note 3. Business risks are broken down further as per our Risk Management Framework, into specific Key Risks set out here:

Cyber & Data Security

This is the risk of potential regulatory sanction, financial, reputational, operational and client related risks arising from inadequate and/ or ineffective controls in respect of cybercrime security (both physical and electronic form).

Financial Crime

Potential regulatory sanction, financial, reputational, operational and client related risks arising from inadequate and/ or ineffective controls in relation to Financial Crime Prevention.

IT Infrastructure & Capabilities

The risk of not achieving business objectives and any potential negative impact on clients as a result of sub-optimal IT infrastructure (including capacity) and IT capability.

Investment Performance

This is the risk of continued sub-optimal investment performance caused by poor investment decisions leading to a reduction in clients and/or percentage based management fees. This risk is highly correlated to the risk of Extreme Market Conditions.

Consumer Outcomes & Conduct Risk

The financial, reputational and business risks associated with poor client outcomes due to, provision of unsuitable advice, investment suitability, poor conduct and/ or culture.

People

The risk to achieving business objectives as a result of insufficient human resources in terms of numbers, focus, culture and skill set which could also result in poor client outcomes.

Third Party Suppliers

The risk that any third-party supplier including IT system providers, price feeds and outsourced service providers, fail to deliver the agreed service levels potentially impacting client outcomes, regulatory requirements and affecting the achievement of business objectives.

Regulatory, Tax & Legal Compliance

This risk relates to ensuring the Company continues to meet current and future legislative and regulatory requirements, in particular expectations in relation to Consumer Duty.

For information on the Financial risk management of the Group, please see note 3.

Streamlined Energy and Carbon Reporting Regulations

7IM Holdings Limited falls within scope for the Streamlined Energy and Carbon Reporting Regulations and is therefore required to report energy and emissions resulting from the combustion of gas and from fuel for transport. SECR also requires a relevant Emissions Intensity Ratio to be calculated and details given of any Energy Efficient Actions carried out through the reporting year.

During 2023, the UK Group exited an office in Edinburgh and moved from two offices to a new single office in London as part of the Groups property consolidation.

During this process there was a period of overlap with multiple leases causing higher emissions in 2023. The resulting consolidation of office space in a more energy efficient building during 2023 is expected to lead to a decrease in carbon intensity in future.

In line with the sustainability commitment made by the business in 2021, rail travel now represents more than 54% of the total 2023 travel (against 44% in the prior year).

The information reported covers the entire UK Group.

7IM Holdings Limited - GHG Emissions (tCO2e)	2023 tCO2e	2022 tCO2e
Scope 1:		
Purchased natural gas combustion	103	79
Scope 2:		
Purchased electricity / heating / cooling / data centres	136	90
Scope 3:		
Indirect emissions - road travel where the company is responsible for purchasing fuel	26	21
Total gross reportable emissions (tCO2e)	**266**	**190**
Total energy consumption based on the above (kWh)	1,315,076	969,702
Total Full Time Employees (FTE)	501	491
Reportable Intensity Ratio (total tCO2e per FTE)	**0.53**	**0.39**
Other Voluntarily reported Scope 3 indirect emissions		
Indirect emissions - other travel (air, rail, bus, taxi)	102	46
Indirect emissions - transmission & distribution losses on electricity consumption	12	8
Indirect emissions - water supply & treatment	0	0
Indirect emissions - refuse & waste	0	1
Total gross emissions (tCO2e)	**380**	**245**
Overall Intensity Ratio (total tCO2e per FTE)	**0.76**	**0.50**

Through the World Land Trust's Carbon Balanced programme, the UK Group offsets its unavoidable emissions by purchasing verified carbon units to offset the equivalents tonnes of carbon dioxide consumed annually, leaving it at net zero emissions. The UK Group's contribution made via the carbon balance fund is invested in the long-term protection & restoration of threatened tropical forests in Caribbean Guatemala.

Data methodology

The energy and emission figures included in this report have been collected and calculated according to the Greenhouse Gas Reporting Protocol - Corporate Standard and the UK Governments' GHG Conversions Factors. Where data was not available, the Company would extrapolate missing data points with either budgets or estimations, taking an applicable average across a suitable sample, or utilising usage associated to the previous month (if available).

When calculating our proportion to the whole building's consumption, this has been calculated using a percentage based on floor size tenancy proportion, made available by building management.

Energy Efficiency Actions

In 2024 the group will continue to support a sustaininability minded culture to reduce the carbon emissions across all the business activity. In order to achieve this objective, the carbon consumption data will be collated quarterly and communicated to the wider business to ultimately become part of a set of ambitious targets allocated per team.

The UK Group recognises its responsibility to help protect the environment and aims to promote high standards of environment and social practice as outlined here:

Environmental Impact:

The UK Group does not engage in activities that are generally regarded as having a high environmental impact. Any direct environmental impact stems primarily from the gas and electricity used to heat, cool and power our offices, business travel and waste disposal of IT equipment and paper. The LLP is committed to monitoring and reviewing its environmental performance in these areas through its Culture and Sustainability Committee.

Carbon Footprint:

The Uk Group's greenhouse gas emissions mainly result from office-based business activities and business travel between London, Edinburwgh and Jersey. Consequently, this is where effort is focussed to reduce its impact. The LLP aims to reduce the carbon footprint of its activities by improving efficiency of our offices and by opting for video-conferencing for distance meetings where possible and a preference for rail over air travel where possible.

Energy:

Electricity is consumed for day-to-day business operations, lighting and air conditioning as well as for powering IT devices and technical infrastructure. Various initiatives have been put in place to reduce the environmental impact including selecting IT equipment with better energy efficiency ratings and transitioning to lighting that uses motion detectors, as well as a program to roll out LED lighting (replacing fluorescent lighting) in our Edinburgh office, successfully completed in Summer 2023.

Strategic decisions and Stakeholders – Section 172

The Directors of the UK Group have a duty, under Section 172 of the Companies Act, to act in good faith, to promote the success of the UK Group for the benefit of its stakeholders as a whole. In order to promote the success of the UK Group for all stakeholders, the Board has given regard to:

- The likely consequences of any decision in the long term:
- The interest of the UK Group's employees and members:
- The need to foster the UK Group's business relationships with clients and others:
- The impact of the UK Group's operations on the community and the environment:
- The desirability of the UK Group maintaining a reputation for high standards of business conduct:
- The need to act fairly towards all stakeholders of the UK group:

The Directors continue to review their current approach to corporate governance and decision making, engagement with stakeholders and the UK Group's impact on the environment.

The following summarises how the Company fulfils its duties under Section 172 (1):

Consequence of any long-term decisions

As part of the budgeting process, each year the Board undertakes a review of the Company's strategy and the business plan for the following year and beyond. This strategy helps form the basis for financial budgets, resource plans and investment decisions and also the future strategic direction of the Company. In making decisions concerning the business plan and future strategy, the Board has regard to a variety of matters including the interests of various stakeholders, the consequences of these decisions in the long term and its long term reputation.

The Company is part of a consolidated group regulated by the Financial Conduct Authority ("FCA"). The Company is therefore required to gain a full understanding of all its risks and put in place a robust risk management and governance system which continually evolves. The Directors fulfil their duties partly through a governance framework that delegates day to day decision making to senior management.

This framework involves a series of Committees including those whose explicit remit covers areas such as liquidity, capital and conduct and who are empowered to challenge business decisions against both short and longer term considerations.

The Company operates a Risk framework which includes forward looking key risk indicators and forecast metrics.

The Company measures long terms consequences of its decisions when preparing forward looking financial planning, including considering stress events and other pressures as part of going concern, ICARA and specific stress testing.

Employees and Members

The UK Group is committed to employing individuals from a wide range of backgrounds, and recognises that this is a long-term plan. The success of the UK Group depends on attracting, developing and retaining talented people to create high performing diverse teams that set us apart from our competitors.

The UK Group is committed to supporting the principle of equal opportunities and opposes all forms of unlawful or unfair discrimination on the grounds of colour, race, nationality, gender, ethnic origin, marital status, disability, religion, age or sexual orientation. The UK Group's aim is to recruit, train and promote the best person for the job and to create a working environment free from unlawful discrimination, victimisation and harassment, and on which all employees and members are treated with dignity and respect.

The UK Group wants to build a great business with a great culture. Over the course of 2023 the Group has continued to invest in staff development and a culture programme, termed 'Succeeding Together', with our award-winning training partners, ABSTRACT, who have been critical in helping the Group to refresh and reset the culture at 7IM. As part of the culture refresh, the Group has been working to create a positive, diverse and inclusive workplace and has further implemented a Gender Equality Network, launched in 2022 to further facilitate this. The Gender Equality Network aims to remove barriers to progression for women in the business and further close the gender pay gap.

Clients

The UK Group's clients, whether individual or corporate, are vital to the success of the business. The UK Group's offering has been shaped in close collaboration with financial advisers and with individual clients. Based on what clients have told the UK Group, through either face to face contact or client surveys, the business has a suite of services, technology and products for clients across the UK, whatever their needs may be. The behaviour of employees towards clients is governed by the UK Group's risk frameworks and the FCA requirements.

We also understand the impact that clients can have on our business, for example from a reputational, corruption, tax-avoidance or money laundering perspective, and all new clients are subject to thorough due diligence before being accepted.

The Community and the Environment

The UK Group is proud to announce that in February 2023 the UK Group was named successful signatories to the Financial Reporting Council's (FRC's) UK Stewardship Code 2022. This follows the UK Group's successful application to the 2020 code. The UK Stewardship Code sets high standards for asset managers and owners, with a set of 12 principles that cover a range of stewardship activities and outcomes. Positive feedback was received on the UK Group's purpose, culture, business model and strategy, as well as its investment beliefs and how they are put into practice to ensure that the UK Group is a sound stewards of client assets.

In 2023 staff throughout the Group raised money for various charities, through a combination of staff fundraising, matched funding and donations from the Group, colleagues and friends.

In addition to fundraising for a variety of causes, throughout 2023 we also supported our two partnership charities; Under One Sky (1198901), a volunteer-led charity that aims to use education, compassion and collaboration to end homelessness, and Rowan Alba (SC036778) a Scottish charity who aim to stop homelessness before it happens. All colleagues have the opportunity to suggest and vote for our partnership charities for the year ahead. By putting the decision of who and what to support in the hands of the team, rather than driving these decisions at management level, the Group is building its community spirit, and encouraging everyone to get involved in fundraising.

The Group continues to promote its Give as you earn scheme, launched in 2021 whereby staff members can nominate a certain amount to a specific charity from their monthly salary. Give as you earn is a tax efficient way of donating to any charity staff choose to support. There are no minimum or maximum amounts, and donations can be made to as many causes as staff so desire.

The Group believes being a good citizen starts in your own community. This is the key drive behind the launch of our Volunteer Leave Policy for 2023. This initiative will enable colleagues to take paid time off to participate in volunteer activities that align with the UK Group's values and sustainability efforts. We will be encouraging all colleagues to take advantage of this opportunity to give back and make a positive impact in our communities.

Business Conduct

The Company seeks to operate with high ethical standards by conducting business activities in compliance with applicable legal and regulatory requirements and with internal policies governing behaviour and conduct. The Company undertakes an ongoing review of how evolving legislation, guidelines and best practices should be best reflected.

As part of this effort all employees and members are mandated to complete various training seminars with recorded affirmations and tests. These cover a range of recurring and bespoke topics such as business integrity, anti-bribery and corruption, market abuse and equality and diversity.

With the application of the Senior Manager and Certification Regime, personal obligations with respect to conduct have come further into focus and the Company is required to certify that employees and members are fit and proper on an annual basis.

Shareholders

The Board oversees, governs and makes decisions on behalf of members of the two LLPs and shareholders of other group entities and therefore is directly responsible for protecting and managing their interests in the UK Group. It does this by setting the strategies, policies and corporate governance structures described elsewhere in these financial statements.

The UK Group's strategic objectives are to:

- our primary focus is to hit organic flow targets across all business lines, this may be enhanced going forward by growing inorganic flows from M&A activity;
- grow and strengthen our financial advice capabilities, both independent (PWM) and restricted (Amicus and PCT), organically and inorganically;
- pursue M&A opportunities in line with strategic objectives and risk appetite to drive further enhancements to our capabilities and client propositions;
- continue to focus on distribution, people and innovation as our core strategy triangle;
- lead on diversity, sustainability and responsible investment opportunities; and
- continue to invest in Human Resources and Technology;

The key decisions made by the Board in 2023 in order to achieve these objectives included:

- decisions at various stages of the sale of the Group to OTPP;
- decision to approve the commencement of the Space Programme focused on the 7IM platform and supporting capability;
- approval to acquire Amicus Wealth Limited to incorporate an integrated advice proposition;
- approval to acquire Eastcote Wealth to grow the independent advice proposition, and add a new hub in the Midlands;
- continued support for agile working and implementing the Corporate office moves during 2023.

On behalf of the Board:

D R Walker, Director

10 April 2024

Director’s report

The Company was incorporated as a limited company in the United Kingdom on 19 October 2000 in accordance with the Companies Act 2006. The Company is domiciled in the United Kingdom.

The UK Group consists of Seven Investment Management LLP, 7IM Investment and Retirement Solutions Limited, 7IM Trustees Limited, Partners Wealth Management LLP, Amicus Wealth Limited, CAP Partners Limited and Find A Wealth Manager Limited.

The Company’s immediate parent is Caledonia Thames Acquisitions (Jersey) Limited, and its ultimate parent and ultimate controlling party is Caledonia Investments plc, a UK incorporated entity. The ultimate parent company is Caledonia Investments plc.

Subsequent to the year end, on the 18 January 2024, OTPP completed its acquisition of a majority stake in the overall 7IM Group. For more information on subsequent events, please see note 29.

The Directors present their annual report and audited consolidated financial statements of the Company for the year ended 31 December 2023.

The Directors have decided to present the company’s Carbon Reporting in their Strategic Report as it is considered that the carbon emissions are of strategic importance to the Company.

Principal activities

The principal business of the Company is as the Corporate Member of Seven Investment Management LLP and Partners Wealth Management LLP.

The Company is also the parent company of 7IM Investment and Retirement Solutions Limited, Find A Wealth Manager Limited, Amicus Wealth Limited and CAP Partners Limited. The main business carried out by the UK Group is the provision of investment management and financial advisory services to individual clients and a range of Open Ended Investment Companies and Model Portfolios, as well as wrap platform services to financial intermediaries.

Business review and future developments

The Directors’ report should be read in conjunction with the Strategic Report on page 4, which together cover information about the Company’s business, its financial performance during the year, likely developments, and any risks uncertainties associated with the business.

The UK Group is expecting 2024 to be a year for growth. Partners Wealth Management LLP, Amicus Wealth Limited and Find A Wealth Manager Limited will continue to grow and be integrated into the UK Group.

Financial results and dividends

The results for the year and the state of the Company’s affairs are set out in the financial statements on pages 22 to 72.

Interim ordinary dividends of £10.6 million were paid during 2023 (2022: ordinary dividends of £13.6 million were paid).

No 8% preference share dividends were paid during 2023 (2022: £33,000).

Going concern

In preparing the financial statements, the Directors carry out assessments of whether it's possible to adopt the going concern basis of accounting, taking into consideration all available information about the future and factors likely to affect the future position of the Company.

The Directors are satisfied that the Company has adequate resources to continue to operate as a going concern for a period of 12 months from when the financial statements were authorised for issue. In reaching this conclusion, they have considered the current and forecast regulatory capital and liquidity positions, as well as budgets and financial models together with the principal risks and uncertainties for the UK Group for a period covering 2024 and 2025. The income for the Company arises solely from distributions from its investments in subsidiaries. A series of stress tests were performed over each subsidiary which proved that they all were able to continue to operate under stressed conditions. Management believes that the Company has adequate liquidity to meet any obligations as and when they fall due.

Auditor

The auditor in office will be deemed to have been re-appointed pursuant to section 487(2) of the Companies Act 2006, unless the Directors resolve otherwise.

All Directors have taken all appropriate steps to make themselves aware of any information needed by the Company and the Company's auditors for the purpose of their audit and to establish that the auditors are aware of that information. The Directors are not aware of any relevant audit information of which the auditors are unaware.

Directors

The Directors of the Company who were in office throughout the year and up to the date of signing were:

A T Grace

D M Proctor

D R Walker

D T M Young

C C Goodman - appointed 18 January 2024

I E Larranaga - appointed 18 January 2024

S Yates - appointed 18 January 2024

J A Lander - resigned 18 January 2024

T W Leader - resigned 18 January 2024

Qualifying third party indemnity provision

At the date of this report, a qualifying third party indemnity provision, made by the Company, is in place for the benefit of all the Directors listed above. This provision was in place throughout the financial yearcovered by these financial statements and also at the date of approval of the financial statements.

Statement of Directors' responsibilities in respect of the Annual Report, Strategic Report, the Directors' Report and the Financial Statements

Basis of preparation

Company law requires the Directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK-adopted International Accounting Standards.

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 UK Group and parent company and of their profit or loss for that period. In preparing each of the UK Group and parent company financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable, relevant and reliable;
- state whether they have been prepared in accordance with UK-adopted International Accounting Standards;
- assess the UK Group and parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the parent company's transactions and disclose with reasonable accuracy at any time the financial position of the parent company and enable them to ensure that its financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the group and to prevent and detect fraud and other irregularities.

The financial statements were approved by the Board of Directors and signed on its behalf by:

D R Walker, Director

10 April 2024

Independent auditor's report to the members of 7IM Holdings Limited

Opinion on the financial statements

In our opinion:

- the financial statements give a true and fair view of the state of the Group's and of the Parent Company's affairs as at 31 December 2023 and of the Group's profit and the Parent Company's profit for the year then ended;
- the financial statements have been properly prepared in accordance with UK adopted international accounting standards; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of 7IM Holdings Limited ("the Parent Company") and its subsidiaries ("the Group") for the year ended 31 December 2023 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity, the Statement of Cash Flows and notes to the financial statements, including a summary of material accounting information. The financial reporting framework that has been applied in their preparation is applicable law UK adopted international accounting standards.

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 Group and the Parent 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.

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 Group or Parent 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 Directors are responsible for the other information. The other information comprises the information included in the Annual Report, 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 Group and the Parent 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 by the Parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the Parent Company 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 Statement of Directors Responsibilities, 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 Group's and the Parent 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 Group or the Parent 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.

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:

Non-compliance with laws and regulations

Based on:

- Our understanding of the Group and Parent Company and the industry in which it operates;
- Discussion with management and those charged with governance; and
- Obtaining and understanding of the Group and Parent Company’s policies and procedures regarding compliance with laws and regulations.

We considered the significant laws and regulations to be Companies Act 2006, UK adopted international accounting standards and Financial Conduct Authority (‘FCA’) Regulations for group of subsidiaries authorised by FCA to undertake regulated activities.

The Company is also subject to laws and regulations where the consequence of non-compliance could have a material effect on the amount or disclosures in the financial statements, for example through the imposition of fines or litigations. We identified such laws and regulations to be the health and safety legislation and employment law.

Our procedures in respect of the above included:

- Review of minutes of meeting of those charged with governance for any instances of non-compliance with laws and regulations;
- Review of financial statement disclosures and agreeing to supporting documentation;
- Involvement of tax specialists in the audit; and
- Review of legal expenditure accounts to understand the nature of expenditure incurred.

Fraud

We assessed the susceptibility of the financial statements to material misstatement, including fraud. Our risk assessment procedures included:

- Enquiry with management and those charged with governance regarding any known or suspected instances of fraud;
- Obtaining an understanding of the Group and Parent Company’s policies and procedures relating to:

- Detecting and responding to the risks of fraud; and
- Internal controls established to mitigate risks related to fraud.
- Review of minutes of meeting of those charged with governance for any known or suspected instances of fraud;
- Discussion amongst the engagement team as to how and where fraud might occur in the financial statements;
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud; and
- Considering remuneration incentive schemes and performance targets and the related financial statement areas impacted by these.

Based on our risk assessment, we considered the areas most susceptible to fraud to be management override of controls, revenue recognition and the impairment of goodwill, intangible assets and investments.

Our procedures in respect of the above included:

- Testing a sample of journal entries throughout the year, which met a defined risk criteria, by agreeing to supporting documentation; and
- Assessing significant estimates made by management for bias by challenging management and performing sensitivity analysis where appropriate.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members who were all deemed to have appropriate competence and capabilities and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the riskof 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 **here** or by typing: 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 Parent 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 Parent 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 Parent Company and the Parent Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Justin Chait

Justin Chait, Senior Statutory Auditor

10 April 2024

For and on behalf of BDO LLP, Statutory Auditor London, UK

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

Consolidated and parent company statement of comprehensive income

For the year ended 31 December 2022 // Company Number: 04092911

	Note	Group Year Ended 31 December 2023 £000	Company Year Ended 31 December 2023 £000	Group Year Ended 31 December 2022 £000	Company Year Ended 31 December 2022 £000
Revenue	5	**99,080**	-	92,475	-
Cost of sales		**(22,035)**	-	(20,838)	-
Gross profit		**77,045**	-	71,637	-
Other income	6	-	**17,529**	2,039	18,260
Administrative expenses	7	**(65,458)**	**(3,011)**	(58,388)	(366)
Operating profit		**11,587**	**14,518**	15,288	17,894
Finance income	8	**272**	**1,487**	56	537
Finance costs	8	**(470)**	**(9)**	(133)	-
Profit on ordinary activities before income tax		**11,389**	**15,996**	15,211	18,431
Income tax expenses on ordinary activities	9	**(3,462)**	**(3,391)**	(2,746)	(3,018)
Profit for the year		**7,927**	**12,605**	12,465	15,413
Other comprehensive income:					
Items that will or may be reclassified to profit or loss: Valuation gains in fair value through other comprehensive income on Leasehold	23	**3,249**	-	-	-
Total comprehensive income		**11,176**	**12,605**	**12,465**	**15,413**

The notes on pages 27 to 72 form an integral part of these financial statements. The UK Group has no other comprehensive income other than that included in the results above. All results are derived from continuing operations.

Consolidated and parent company statement of financial position

	Note	Group As at 31 December 2023 £000	Company As at 31 December 2023 £000	Group As at 31 December 2022 £000	Company As at 31 December 2022 £000
Assets					
Non-current assets					
Property, plant and equipment	10	**13,589**	**-**	2,211	-
Intangible assets	11	**100,395**	**-**	65,909	-
Investments	12	**-**	**118,757**	-	81,080
Trade and other receivables	13	**150**	**-**	150	-
		114,134	**118,757**	68,270	81,080
Current assets					
Trade and other receivables	13	**39,052**	**8,859**	33,786	7,824
Cash and cash equivalents		**24,271**	**898**	23,112	1,011
		63,323	**9,757**	56,898	8,835
Total assets		**177,457**	**128,514**	125,168	89,915
Liabilities					
Current liabilities					
Trade and other payables	14	**43,065**	**2,652**	35,064	394
Provision	15	**4,271**	**-**	3,352	-
Current income tax liability	14	**1,522**	**1,670**	452	478
Deferred tax liabilities	16	**-**	**-**	361	-
		48,858	**4,322**	39,229	872
Non-current liabilites					
Trade and other payables	14	**6,543**	**2,213**	359	2,218
Deferred tax liabilities	16	**6,483**	**-**	4,126	-
		13,026	**2,213**	4,485	2,218
Total liabilities		**61,884**	**6,535**	43,714	3,090
Equity					
Ordinary shares	20	**86,547**	**86,547**	53,447	53,447
Share premium	20	**23,177**	**23,177**	23,177	23,177
Retained (defecit)/earnings		**(2,400)**	**12,255**	197	10,201
Share based payment reserve	22	**5,000**	**-**	4,633	-
Revaluation reserve	23	**3,249**	**-**	-	-
Total equity		**115,573**	**121,979**	81,454	86,825
Total equity and liabilities		**177,457**	**128,514**	125,168	89,915

The notes on pages 27 to 72 form an integral part of these financial statements. The financial statements on pages 22 to 72 were approved by the Board of Directors and were signed on its behalf by:

D R Walker, Director

10 April 2024

Consolidated and parent company statement of changes in equity

2023	Note	Ordinary share capital £000	Share premium £000	Preference share capital £000	Retained (deficit)/ earnings £000	Share based payment reserve £000	Revaluation Reserve	Total £000
Group								
Balance at 1 January 2023		**53,447**	**23,177**	-	**197**	**4,633**	-	**81,454**
Profit for the year		-	-	-	7,927	-	-	**7,927**
Other comprehensive income	23	-	-	-	-	-	3,249	**3,249**
Insurance of shares	20	33,100	-	-	-	-	-	**33,100**
Deferred consideration	22	-	-	-	-	367	-	**367**
Dividends paid on ordinary shares	21	-	-	-	(10,551)	-	-	**(10,551)**
Acquisition of retained earnings of Subsidiary		-	-	-	27	-	-	**27**
Balance as at 31 December 2023		**86,547**	**23,177**	**-**	**(2,400)**	**5,000**	**3,249**	**115,573**
Company								
Balance at 1 January 2022		**53,447**	**23,177**	-	**10,201**	-	-	**86,825**
Profit for the year		-	-	-	12,605	-	-	**12,605**
Insurance of shares	20	33,100	-	-	-	-	-	**33,100**
Dividends paid on ordinary shares	21	-	-	-	(10,551)	-	-	**(10,551)**
Balance as at 31 December 2023		**86,547**	**23,177**	-	**12,255**	-	-	**121,979**

The notes on pages 27 to 72 form an integral part of these financial statements.

Consolidated and parent company statement of changes in equity continued

2022	Note	Ordinary share capital £000	Share premium £000	Preference share capital £000	Retained earnings £000	Share based payment reserve £000	Revaluation Reserve	Total £000
Group								
Balance at 1 January 2022		52,762	23,162	700	1,388	3,594	-	81,606
Profit for the year		-	-	-	12,465	-	-	12,465
Share reclassification		685	15	(700)	-	-	-	-
Deferred consideration	22	-	-	-	-	1,039	-	1,039
Dividends paid on ordinary shares	21	-	-	-	(13,623)	-	-	(13,623)
Dividends paid on preference shares	21	-	-	-	(33)	-	-	(33)
Balance as at 31 December 2022		53,447	23,177	-	197	4,633	-	81,454
Company								
Balance at 1 January 2022		52,762	23,162	700	8,444	-	-	85,068
Profit for the year		-	-	-	15,413	-	-	15,413
Share reclassification		685	15	(700)	-	-	-	-
Dividends paid on ordinary shares		-	-	-	(13,623)	-	-	(13,623)
Dividends paid on preference shares		-	-	-	(33)	-	-	(33)
Balance as at 31 December 2022		53,447	23,177	-	10,201	-	-	86,825

The notes on pages 27 to 72 form an integral part of these financial statements.

Consolidated and parent company statement of cash flows

	Note	Group Year Ended 31 December 2023 £000	Company Year Ended 31 December 2023 £000	Group Year Ended 31 December 2022 £000	Company Year Ended 31 December 2022 £000
Cash flows from operating activities					
Cash generated from / (used in) operations	27	**17,967**	**6,919**	21,567	(705)
Income tax paid		**(2,483)**	**(2,200)**	(3,070)	(2,861)
Interest Paid	8	**(9)**	**(9)**	-	-
Net cash generated from / (used in) operating activities		**15,475**	**4,710**	18,497	(3,566)
Cash flows from investing activities					
Interest received	8	**296**	**15**	13	1
Purchases of property, plant and equipment	10	**(3,585)**	**-**	(705)	-
Purchases of intangible assets	11	**(66)**	**-**	(2,326)	-
Investment in subsidiary undertaking	12	**-**	**(26,375)**	-	(70)
Acquisitions of subsidiary, net of aquired cash		**(21,289)**	**-**	-	-
Profit share from investments		**-**	**7,516**	-	17,697
Dividends received		**-**	**1472**	-	536
Net cash (used in) generated from investing activities		**(24,644)**	**(17,372)**	(3,018)	18,164
Cash flows from financing activities					
Dividends paid to preference shareholders	21	**-**	**-**	(33)	(33)
Office lease liabilities	19	**(2,222)**	**-**	(1,912)	-
Proceeds from issues of share capital	20	**23,100**	**23,100**	-	-
Dividends paid to ordinary shareholders	21	**(10,551)**	**(10,551)**	(13,623)	(13,263)
Net cash (used in) financing activities		**10,327**	**12,549**	(15,568)	(13,656)
Net increase / (decrease) in cash and cash equivalents		**1,159**	**(113)**	(89)	942
Cash and cash equivalents at beginning of year		**23,112**	**1,011**	23,201	69
Cash and cash equivalents at end of year		**24,271**	**898**	23,112	1,011

The notes on pages 27 to 72 form an integral part of these financial statements.

Notes to the financial statements

1. General information

The Company is a limited company, incorporated and domiciled in the UK. The address of its registered office is 1 Angel Court, London EC2R 7HJ. At the reporting period end, the Company's ultimate parent company and ultimate controlling party is Caledonia Investments plc, which is incorporated in the UK.

The Company is the Corporate Member of Seven Investment Management LLP and Partners Wealth Management LLP. The Company acquired Partners Wealth Management LLP on 30 September 2020, purchased the entire shareholding of Find A Wealth Manager Limited on 16 October 2020,7IM Investment and Retirement Solutions Limited on 19 October 2020 and purchased the entire shareholdings of Amicus Wealth Limited and CAP Partners Limited on 8 December 2023.

The UK Group consists of 7IM Holdings Limited together with underlying subsidiaries, namely Seven Investment Management LLP, 7IM Investment and Retirement Solutions Limited, 7IM Trustees Limited, Partners Wealth Management LLP, Amicus Wealth Limited, CAP Partners Limited and Find A Wealth Manager Limited, collectively known as the UK Group. Consolidated financial statements are prepared by the Company as it is the parent of the UK Group.

Subsequent to the year end, on the 18 January 2024, Ontario Teachers Pension Plan Board (OTPP) completed its acquisition of a majority stake in the overall 7IM Group. For more information on subsequent events, please see note 29.

2. Summary of material accounting policies

The material accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated. In setting these policies, we have looked ahead to the foreseeable future and have considered their impact for at least the next twelve months.

A) Basis of preparation

Going Concern

The consolidated financial statements have been prepared on the going concern basis, under the historical cost convention and in accordance with UK-adopted international financial reporting standards. The financial statements have also been prepared in accordance with the requirements of the Companies Act 2006 and applicable law. The Company has sufficient capital resources to meet operational cash requirements in both the short and long term.

In preparing the financial statements, the Directors carry out assessments of whether it's possible to adopt the going concern basis of accounting, taking into consideration all available information about the future and factors likely to affect the future position of the Company.

The Directors are satisfied that the Company has adequate resources to continue to operate as a going concern for a period of 12 months from when the financial statements were authorised for issue.

In reaching this conclusion, they have considered the current and forecast regulatory capital and liquidity positions, as well as budgets and financial models together with the principal risks and uncertainties for the UK Group for a period covering 2024 and 2025. The income for the Company arises solely from distributions from its investments in subsidiaries. A series of stress tests were performed over each subsidiary which proved that they all were able to continue to operate under stressed conditions. Management believes that the Company has adequate liquidity to meet any obligations as and when they fall due.

The financial statements are presented in GBP, which is the UK Group and Company's functional and presentational currency. All financial information presented has been rounded to the nearest thousand GBP, unless otherwise indicated.

B) Consolidation

Subsidiaries

Subsidiaries are all entities over which the UK Group has control. The UK Group controls an entity when the UK Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the UK Group.

The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interest issued by the UK Group.

The excess of the consideration transferred over the fair value of the identifiable net assets acquired is recorded as goodwill.

Acquisition related costs are expensed as incurred.

Intercompany transactions and balances between UK Group companies are eliminated on consolidation.

C) Revenue recognition

The UK Group earns revenue from contracts with its customers. Under a majority of these contracts the UK Group has concluded that the investor/client is the customer. Depending on the nature of the contract and the services required by the customer, the UK Group may have one, or a number of performance obligations, within each contract. Revenue is recognised in accordance with IFRS 15 as the relevant performance obligations are satisfied.

A majority of the UK Group's revenue arises through the provision of its core ongoing services to its customers: the management of Funds and Model Portfolios, provision of Discretionary Investment Management services, and operation of an Investment Platform & operation of a SIPP. Generally these services are satisfied over time once one of the following occurs:

i) the customer consumes the benefits provided by the UK Group and another entity would not need to substantially re-perform the work that the UK Group has completed to date; or

ii) the UK Group has an enforceable right to payment for performance completed to date.

Due to the nature of the UK Group's contracts with customers there are no significant judgements made in applying the standard to those contracts. As a result no assets are required to be recognised from the costs to obtain or fulfil those contracts with the UK Group's customers.

The UK Group has assessed its contracts with respect to its sub-advisory agreements and has determined it remains the principle in most instances, with revenue relating to these contracts recognised gross in accordance with UK Group accounting policies stated above. Revenue is mainly a percentage of AUM and accrued monthly based on average AUM.

In respect of one revenue stream, the UK Group acts as an agent, in which case the revenue relating to this contract is recognised on a net basis.

Where performance obligations have occurred but payment from customers has not been received, these balances are recognised as receivable as the UK Group's right to consideration is unconditional except for the passage of time. These receivables are accounted for in accordance with IFRS 9, with any difference between initial recognition of a receivable and the corresponding revenue recognised as an expense.

Most performance obligations are met daily with revenue accrued monthly and paid monthly in arrears.

D) Leases

Short-term leases and leases of low-value assets

The UK Group has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases, including IT equipment. The UK Group recognises the lease payments associated with these operating leases as an expense on a straight-line basis over the term of the lease.

In Amicus Wealth Limited, IT equipment has been leased over a three year period, the items of equipment are individually of low value and have been recognised in the IT equipment asset category, with a subsequent liability in Trade an other payables.

E) Taxation

Seven Investment Management LLP and Partners Wealth Management LLP are not required to pay corporation tax.

The taxation payable on the profits of the subsidiary, Seven Investment Management LLP, is the personal liability of each of the Members. In respect of each individual Member, up until July 2022, Seven Investment Management LLP retained out of the Member's drawings and distributions an amount equal to the estimated income tax and/or national insurance contributions (or other taxes) which that Member was due to pay in respect of that Member's profit share and released that amount to the Member no later than 14 days before the tax on such profit share was due to be paid or was due to be paid on account to HMRC, so that Seven Investment Management LLP (and its Members) had comfort that none of its Members would be left without the funds to discharge their individual tax liabilities.

Since August 2022 Members of Seven Investment Management LLP have been paid their full amount of fixed profit share, with no retentions made.

The taxation payable on the profits of the subsidiary, Partners Wealth Management LLP, is the personal liability of each of the Members.

All profits belonging to the Corporate Member, namely the Company, will be included within that Member's own financial statements and be taxed according to corporation taxation legislation. The profits belonging to the Corporate Member have been eliminated as part of the consolidation; however, the corporation taxation on these profits are consolidated within the results of the UK Group.

F) Financial instruments

IFRS 9 – 'Financial instruments' simplifies the classification of financial assets and liabilities.

Recognition and de-recognition of financial instruments.

Financial instruments are recognised on the statement of financial position when, and only when, the UK Group becomes a party to the contractual provisions of the particular instrument. Financial assets are de- recognised when, and only when, the UK Group transfers substantially all risks and rewards of ownership. Financial liabilities are de-recognised when, and only when, the obligations under the contract are discharged, cancelled or expire. Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the UK Group currently has a legally enforceable right to offset the amounts and intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

Loans and receivables

Loans and receivables comprise trade and other receivables and cash and cash equivalents and are stated at amortised cost using the effective interest rate method, less any impairment losses. Receivables with a short duration are not discounted. IFRS 9 includes an impairment model, expected credit loss ('ECL'), based on forward looking expected losses. The UK Group has assessed its trade receivables and has applied an ECL model.

Financial liabilities

Financial liabilities comprise trade and other payables, income tax liability and loans and other debts due to Members. All financial liabilities are measured at amortised cost using the effective interest rate method.

G) Financial liabilities

The UK Group classifies its financial derivative at fair value through the statement of comprehensive income. Derivatives are initially recognised at fair value on the date the contract is entered into and are re- measured at fair value until settlement values have been determined, and then at amortised cost. Liabilities in this category are classified as current liabilities if expected to settle within 12 months, otherwise they are classified as non-current liabilities.

H) Fair value through other comprehensive income

The Group recognises leasehold improvement assets within Property plant and equipment under the remeasurement model, with any gains or losses recognised in a Revaluation reserve via Other comprehensive income.

Under this model, the assets are revalued every 5 years to ensure that the book value does not materially differ from the fair value, with any gain recognised in the Statement of comprehensive income and a Revaluation reserve. Any subsequent revaluation losses are recognised in Other comprehensive income to the extent that there are revaluation gains to offset against, once exhausted, any further losses will be recognised in the Statement of comprehensive income.

I) Trade and other receivables

As required by IFRS 9, the UK Group has adopted a simplified Expected Credit Loss ('ECL') model for its trade receivables. A simplified provision matrix is applied to the UK Group's trade receivables at the statement of financial position date based on historic write offs and adjusted for forward looking estimates. The resulting impairments, and subsequent adjustments are presented as a separate line in the statement of comprehensive income.

Seven Investment Management LLP has recognised an asset in relation to an amount which is due to be received from its insurer. The asset is linked to a liability of which there is uncertainty over the timing and the amount which is due to be paid. As a result, under IAS 37 Seven Investment Management LLP has discounted the value of the asset to reflect this uncertainty over the amount which would be received. The discount was calculated using a financial model which takes into account external benchmarking factors alongside the knowledge Seven Investment Management LLP has over the value of both the asset and the liability.

J) Employee benefits

Profit sharing and bonus plans

The UK Group recognises a liability and an expense for bonus and profit sharing in its subsidiaries, Seven Investment Management LLP and Partners Wealth Management LLP. Both Seven Investment Management LLP and Partners Wealth Management LLP recognise a provision where contractually obliged or where there is a past event that has created a constructive obligation.

K) Property, plant and equipment

Property, plant and equipment, with the exception of Leasehold improvements, are recognised at historic purchase cost less accumulated depreciation, where cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use. They are depreciated at rates estimated to write off the relevant assets over their useful economic lives on a straight line basis.

During the year, the Group changed its accounting policy in relation to assets held under the Leasehold improvement asset class from the historic cost model to a remeasurement model.

Under this model, the assets are revalued every 5 years to ensure that the book value does not materially differ from the fair value, with any gain recognised in the Statement of other comprehensive income and a Revaluation reserve. Any subsequent revaluation losses are recognised in Other comprehensive income to the extent that there are revaluation gains to offset against, once exhausted, any further losses will be recognised in the Statement of profit and loss.

Property, plant and equipment are depreciated at rates estimated to write off the relevant assets over their useful economic lives on a straight line basis, which are estimated to be:

IT equipment - 3 years

Furniture - 5 years

Machinery and equipment - 5 years

Leasehold improvements - various terms, between 5 and 7 years (2021: 20 months and 5 years)

Any assets costing less than £1,000 are expensed when purchased.

Depreciation is charged on the basis of a full month from the first month of ownership.

All useful economic lives are over the same term as the prior period unless stated otherwise.

L) Intangible assets

i) Goodwill

Goodwill arises in business combinations and represents the excess of the consideration paid over the fair value of the identifiable net assets acquired. Goodwill is recognised at cost and not amortised.Impairment reviews are undertaken annually or more frequently if events or changes in circumstances indicate a potential impairment. The carrying value is compared to the recoverable amount, which is the higher of value in use and the fair value less costs of disposal. Any impairment is recognised immediately as an expense.

ii) Intellectual Property Rights

The Intellectual Property Rights are recognised in accordance with IAS38 and are amortised using the straight line method over a period of ten years, to reflect the expected period of return on this asset. A full month's amortisation is charged in the first month of ownership.

iii) Development costs

Development costs are recognised in accordance with IAS38 and capitalised as incurred.

Development costs in respect of Seven Investment Management LLP's platform development project are amortised when the final phase of the asset goes live. Development phases have useful economic lives ('UEL') of three years to reflect the expected period of return on this asset. Amortisation is on a straight line basis, over a period of three years. A full month's worth of amortisation is charged in the first month of use.

Development costs in respect of Seven Investment Management LLP's capitalised website costs are amortised on a straight line basis over their UEL of three years. A full month's worth of amortisation is charged in the first month of use.

iv) Customer relationships

Customer relationships acquired in the acquisition of businesses are recognised at fair value at the acquisition date. Customer relationships have a finite useful life and are carried at cost less accumulated amortisation. Amortisation is calculated using the straight-line method over a period of between three and fourteen years.

v) Brand

Brands acquired in a business combination are recognised at fair value at the acquisition date. Brands have a finite useful life and are carried at cost less accumulated amortisation. Amortisation is calculated using the straight-line method over a period of three to ten years.

The gross carrying amounts of the LLP's intangible assets can be found in note 11.

M) Revaluation reserve

Revaluation gains and losses from the revaluation of Leasehold improvement assets that are held at fair value through other comprehensive income are recognised in the Revaluation reserve. Any subsequent revaluation losses are recognised in other comprehensive income to the extent that there are revaluation gains to offset against, once exhausted, any further losses will be recognised in the Statement of profit and loss.

N) Share based payment reserve

The share based payment reserve relates to deferred consideration following the acquisition of the Partners Wealth Management LLP. It is treated as employee remuneration under IFRS 2 and IAS 19, opposed to acquisition consideration, in accordance with the requirements of IFRS 3 based on the terms of agreement.

O) Structured entities

A structured entity is an entity that has been designed so that voting or similar rights are not the dominant factor in deciding who controls the entity, such as when any voting rights relate to administrative tasks only and the relevant activities are directed by means of contractual arrangements. A structured entity often has some or all of the following features or attributes; (a) restricted activities, (b) a narrow and well-defined objective, such as to provide investment opportunities for investors by passing on risks and rewards associated with the assets of the structured entity to investors, (c) insufficient equity to permit the structured entity to finance its activities without subordinated financial support and (d) financing in the form of multiple contractually linked instruments to investors that create concentrations of credit or other risks (tranches).

The UK Group considers the investment management arrangement for all UK investment funds ('Investment Funds') under its management to be interests in unconsolidated structured entities.

In accordance with the terms and conditions of the respective Investment Funds' investment management agreements and offering documentation, the UK Group executes day-to-day management and investment activities of the Investment Funds. The UK Group is remunerated by the respective Investment Funds for their services. Such compensation consists of an asset based fee and is reflected in the valuation of the Investment Funds.

P) Deferred consideration

Deferred consideration relating to the acquisition of Partners Wealth Management LLP is recognised by entities within the UK Group, and by the Jersey entities.

The obligation to pay any deferred consideration has been novated to Caledonia Thames Acquisitions (Jersey) Limited, which means that the Company does not need to account for any financial liability or obligation.

Equity settled awards under IFRS 2

Equity settled awards are recognised at fair value at the grant date with an expense recognised in the statement of comprehensive income spread evenly over the vesting period. Within the UK Group charges are made to Partners Wealth Management LLP's statement of comprehensive income with the corresponding amount recognised in a share based payment reserve.

Due to the novation up to Caledonia Thames Acquisitions (Jersey) Limited, there is nothing recognised by the Company, whilst Caledonia Thames Acquisitions (Jersey) Limited, Caledonia Thames Group (Jersey) Limited, and Caledonia Thames Holdings (Jersey) Limited all recognise this equity settled award, by increasing the investment in its respective subsidiary, and creating a corresponding share based payment reserve.

Cash settled awards under IAS 19

Under IAS 19, long-term employee benefits (i.e. benefits that generally vest over 12 months) are accounted for in the same way as defined benefit pension benefits (i.e. using the unit credit method).

Outside the UK Group, charges are made to Caledonia Thames Acquisitions (Jersey) Limited's statement of comprehensive income with the corresponding amount recognised as a financial liability.

Compound awards under IFRS 2

As the form of settlement of the award is at the discretion of the scheme participant (rather than the Group) the Group has an unavoidable obligation to pay cash and would recognise this in the same way as the cash settled award. The residual equity component of the award would need to be recognised at fair value at the grant date. The cash settled element of a compound award under IFRS 2 is recognised at fair value, with any movements in fair value recognised at each statement of financial position date (this differs to the treatment for equity settled awards).

Within the UK Group charges are made to Partners Wealth Management LLP's statement of comprehensive income with the corresponding amount posted to a share based payment reserve.

Due to the novation up to Caledonia Thames Acquisitions (Jersey) Limited, there is nothing recognised by the Company, whilst Caledonia Thames Acquisitions (Jersey) Limited recognises this compound award, by increasing the investment in its subsidiary, with a corresponding amount reflected in its share based payment reserve.

Deferred consideration relating to the acquisition of Amicus Wealth Limited by 7IM Holdings Limited is recognised by Caledonia Thames Acquisitions (Jersey) Limited. The deferred consideration is being recognised over three years with the obligation to pay any deferred consideration has been novated to Caledonia Thames Acquisitions (Jersey) Limited. It is being accounted for as Cash settled awards under IAS 19.

Q) New and amended standards and interpretations applied

The following new standards or interpretations were effective for the first time for periods beginning on or after 1 January 2023. With the exception of the presentational differences for 'Amendments to IAS 1 -Presentation of Financial Statements and IFRS Practice statement 2: Disclosure of Accounting policies' none of the amendments to the standards that are effective from that date had a significant effect on the financial statements.

- Amendments to IAS 1 - Presentation of Financial Statements and IFRS Practice statement 2: Disclosure of Accounting policies.
- Amendments to IAS 8 - Accounting policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates.
- Amendments to IAS 12 - Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction.

R) New and amended standards and interpretations not applied

New accounting standards, amendments and interpretations not yet effective, and which have not been early adopted.

Other standards and amendments that are effective for subsequent reporting periods beginning on or after 1 January 2024 and have not been early adopted by the Group include:

- Amendments to IFRS 16 - Lease Liability in a Sale and Leaseback agreement (effective 1 January 2024).
- Classification of Liabilities as Current or Non-Current (Amendments to IAS 1 Presentation of Financial Statements) (effective 1 January 2024).
- Non-current Liabilities with Covenants (Amendments to IAS 1 Presentation of Financial Statements) (effective 1 January 2024).
- Supplier Finance Arrangements (Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures) (effective 1 January 2024).
- Lack of Exchangeability (Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates) (effective 1 January 2024).

Upon preliminary assessment, these standards and amendments are not expected to have a significant impact on the Financial Statements in the period of initial application and therefore detailed disclosures have not been provided. The Group does not plan on applying any of the standards and interpretations before the effective date.

S) Acquisition accounting

Business combinations are accounted for using the acquisition method. The cost of the business combination is measured as the aggregate of the consideration transferred and contingent consideration, measured at fair value on the date of the business combination, and the value of any non-controlling interests in the acquiree. The business combination costs incurred are expensed.

When the Group acquires a business it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions at the business combination date.

On an acquisition-by-acquisition basis, the Group elects whether to measure the non-controlling interests in the acquiree, if any, at fair value or at the proportionate share of the acquiree's identifiable net assets.

3) Financial risk management

Financial risk factors

The UK Group and Company's operations expose it to a variety of financial risks that include market risk, credit risk, liquidity risk, operational risk and regulatory risk. The UK Group has in place a risk management programme that seeks to limit any adverse effects of these risks by developing appropriate policies and taking mitigating actions.

The Company's income is derived from its investments in Seven Investment Management LLP, Partners Wealth Management LLP, Find A Wealth Manager Limited, Amicus Wealth Limited and 7IM Investment and Retirement Solutions Limited. As such, financial risk management is based upon the subsidiaries' operations, which expose it to certain financial risk.

The UK Group has an Audit, Risk and Compliance Committee ('ARCC'). The Board has delegated the responsibility of monitoring financial risk management to the ARCC. Seven Investment Management LLP also has an Executive Risk Management Committee. The responsibilities of the ARCC include oversight of internal audit, finance, compliance, external audit, control processes and systems. The ARCC consists of 6 members in total, split between 4 voting and 2 non-voting members.

Seven Investment Management LLP utilises an external firm to provide internal audit services to the UK Group.

i) Market risk

The Company itself is not very exposed to market risk or currency risk. However, the main business carried on by both Seven Investment Management LLP and Partners Wealth Management LLP relies on revenues based on assets under management. The most significant risk facing the Company is a reduction in its subsidiaries' market value of assets under management. These positions are monitored at Seven Investment Management LLP level on a daily basis against specific limit and any breaches are reported to the relevant risk committee.

The sensitivity of profit or loss in the Company to changes in the market value of Seven Investment Management LLP and Partners Wealth Management's assets under management, which would result in reduced profit share from both subsidiaries, is shown in the following table:

Impact on profit	Year Ended 31 December 2023 £000	Year Ended 31 December 2022 £000
Market values increase by 10%	**2,983**	2,771
Market values decrease by 10%	**(2,983)**	(2,771)

The Company and the Group has no exposure to foreign exchange risk. During 2022 the Group was exposed to interest rate risk with Seven Investment Management LLP receiving interest margin revenue from cash held by the custodian, with the interest rate based on the prevailing market rates. During 2023 the Group re-negotiated the arrangement, mitigating the interest rate risk.

During the year ended 31 December 2023, a change in the interest rate would not have impacted interest margin profits as the Group typically passes on any increases or decreases in the effective rate to the customer.

The group earns interest on cash held on deposits over varying terms. The sensitivity of profit or loss to changes in the market rates, is shown in the following table:

Impact on profit	Year Ended 31 December 2023 £000	Year Ended 31 December 2022 £000
Impact on profit		
Base rates increase by 100bps	**243**	397
Base rates decrease by 100bps	**(243)**	(397)

This assumes that all other variables remain constant and is maintained for a full 12 months. The 2022 analysis has not been reperformed as the difference is immaterial.

ii) Credit risk

This is the risk of losses due to failure on the part of the Company's debtors to meet their payment obligations. Since the bulk of the Company's debtors are intra-group, this risk is low but it is affected by the credit risk of other group entities. Therefore, this risk substantially lies in the underlying company investments.

At Seven Investment Management LLP level, this risk is mitigated by taking client fees directly from portfolios and by assessing the custodians and administrators of Seven Investment Management LLP's funds before entering into agreements. Since 2018 credit risk relating to client fees in Seven Investment Management LLP has been mitigated further, with the introduction of an auto-disinvestment process to collect outstanding client fees. This has reduced the value and time client fees are recognised as a receivable on the statement of financial position of Seven Investment Management LLP.

At Partners Wealth Management LLP, Amicus Wealth Limited and Find A Wealth Manager Limited level, this is the risk of losses due to failure on the part of their debtors to meet their payment obligations.

2023	**Not past due**	**0-3 months past due**	**3-6 months past due**	**6-12 months past due**	**Greater than 12 months past due**	**Total**
	£000	**£000**	**£000**	**£000**	**£000**	**£000**
Group						
Settlement debtors, other receivables and accrued income*	**36,077**	**76**	**27**	**162**	**20**	**36,362**
A provision for impairment of £11,000 has been recognised at 31 December 2023 (2022: £14,000).						
Company						
Receivables from related parties and other receivables	**8,858**	**-**	**-**	**-**	**-**	**8,858**

*Prepayments have not been included in the figures above, as there is no credit risk.

2022	Not past due	0-3 months past due	3-6 months past due	6-12 months past due	Greater than 12 months past due	Total
	£000	£000	£000	£000	£000	£000
Group						
Settlement debtors, other receivables and accrued income*	31,210	153	85	58	62	31,568
Company						
Receivables from related parties and other receivables	7,810	-	-	-	-	7,810

*Prepayments have not been included in the figures above, as there is no credit risk.

Loss allowance

The Group applies the IFRS 9 simplified approach to measuring ECL for the fees receivables by modelling lifetime expected losses on a collective basis. The loss allowance movement in the year can be seen below:

	Year ended 31 December 2023 £000	Year ended 31 December 2022 £000
Opening loss allowance at 1 January	**14**	29
Increase/(decrease) in loss allowance	**(3)**	(15)
Closing loss allowance at 31 December	**11**	14

The group recognises a default when the likelihood of collection is not probable.

iii) Liquidity risk

This is the risk that the UK Group will be unable to meet any payment obligations. As the UK Group has few payment obligations, it is exposed to minimal liquidity risk. In response to this risk, the cash flow position is monitored on a regular basis.

The table below summarises the maturity profile of the UK Group's financial liabilities at 31 December 2023 and 31 December 2022 based on contractual undiscounted payments.

2023	**Group**				**Company**			
	Within 1 year or repayable on demand	**1-5 years**	**> 5 years**	**Total**	**Within 1 year or repayable on demand**	**1-5 years**	**> 5 years**	**Total**
	£000	**£000**	**£000**	**£000**	**£000**	**£000**	**£000**	**£000**
Trade and other payables	**43,216**	**-**	**-**	**43,216**	**4,322**	**2,213**	**-**	**6,535**
Interest bearing Lease liabilities	**1,371**	**6,219**	**324**	**7,914**	**-**	**-**	**-**	**-**

Trade and other payables include Settlement Creditors of £17,616,000 which are mitigated by Settlement Debtors of £17,619,000.

2022	Group				Company			
	Within 1 year or repayable on demand	1-5 years	> 5 years	Total	Within 1 year or repayable on demand	1-5 years	> 5 years	Total
	£000	£000	£000	£000	£000	£000	£000	£000
Trade and other payables	34,274	(0)	-	34,274	872	2,218	-	3,090
Interest bearing Lease liabilities	1,242	359	-	1,601	-	-	-	-

Trade and other payables include Settlement Creditors of £15,263,000 which are mitigated by Settlement Debtors of £15,275,000.

The table below summarises the UK Group's Cash and cash equivalent balance:

	Group 2023 £000	**Company 2023 £000**	Group 2022 £000	Company 2022 £000
Cash at bank, demand deposits	**24,262**	**898**	12,888	1,011
Notice deposit accounts	**9**	**-**	10,224	-
	24,271	**898**	23,112	1,011

Notice accounts comprise cash held externally to the UK Group which is available upon 45 days notice.

iv) Operational risk

This is the risk of loss as a result of inadequate or failed processes or systems, human errors or external events. Therefore, this risk substantially lies in the underlying investments, namely Seven Investment Management LLP, Partners Wealth Management LLP, 7IM Investment and Retirement Solutions Limited, Amicus Wealth Limited and Find A Wealth Manager Limited. To monitor and control operational risk, the UK Group maintains a comprehensive system of policies and procedures, and a control framework designed to provide a well controlled operational environment, and to monitor and record any control failures. Control functions such as finance, legal and risk & compliance are centralised across the UK Group in order to provide standard framework for the underlying subsidiaries to operate within.

v) Regulatory risk

This is the risk of changes in the regulatory environment having an adverse impact on the business of the Group. The Group contains three regulated entities, Seven Investment Management LLP, 7IM Investment and Retirement Solutions Limited and Partners Wealth Management LLP. Consequently, the Group constantly monitors regulatory changes and makes changes to the business model as appropriate.

Investment Funds under management

Seven Investment Management LLP's investment management arrangements with the Investment Funds outlined below, are subject to the terms and conditions of the respective Investment Funds' investment management agreements and offering documentation and are susceptible to market price risk arising from uncertainties about future values of those Investment Funds. As the investment manager, Seven Investment Management LLP makes investment decisions after extensive due diligence of the investment portfolio, in accordance with the investment objectives and investment strategies of the respective Investment Funds. Seven Investment Management LLP is remunerated by the respective Investment Funds for its services. Such compensation consists of an asset-based fee and is reflected in the valuation of the Investment Funds.

Seven Investment Management LLP acts as the Authorised Corporate Director ('ACD') of the 7IM Investment Funds, 7IM Specialist Investment Funds, 7IM Opportunity Funds and 7IM Funds ICVC. The UK Group has no guarantees or commitments to provide financial support for the structured entities.

The Company and underlying subsidiaries do not hold any investments in the structured entities and they are not included in the consolidated financial statements.

At 31 December Seven Investment Management LLP's Investment Funds under its management are disclosed in the following tables:

2023	**Investment Funds 2023 Number**	**Net asset value of Investment Funds 2023**	**Investment Management Fees 2023**	**Investment Management Fees Debtor 2023**
		£000	**£000**	**£000**
7IM Investment Funds	**11**	**3,433,762**	**22,542**	**1,834**
7IM Specialist Funds	**1**	**91,472**	**355**	**26**
7IM Opportunity Funds	**9**	**692,301**	**4,130**	**363**
7IM Funds ICVC	**6**	**43,861**	**224**	**10**
Total	**27**	**4,261,396**	**27,251**	**2,233**

2022	Investment Funds 2022 Number	Net asset value of Investment Funds 2022	Investment Management Fees 2022	Investment Management Fees Debtor 2022
		£000	£000	£000
7IM Investment Funds	11	3,664,747	23,596	2,027
7IM Specialist Funds	1	123,943	512	36
7IM Opportunity Funds	9	629,620	3,540	331
7IM Funds ICVC	7	42,916	294	28
Total	28	4,461,226	27,942	2,422

Capital management

The Company's objective when managing capital is to safeguard its ability to continue as a going concern and support the three FCA regulated entities, Seven Investment Management LLP, Partners Wealth Management LLP and 7IM Investment and Retirement Solutions Limited. The capital held in the Company relates primarily to ordinary share capital. In practical terms these objectives are met through the appropriate capital management of these three entities. Consolidated regulatory returns are also submitted to the FCA for the consolidated UK reporting group, which is the same as the UK Group.

The adequacy of the UK Group's capital requirement was formally assessed by the respective Boards of the regulated entities and through the Internal Capital Adequacy and Risk Assessment ('ICARA') process. Oversight of risk management is undertaken on a day to day basis by the Chief Risk Officer and the Risk team.

The Company does not have its own regulatory capital requirement as it is not an FCA regulated entity. The Company forms part of a regulatory group with its FCA regulated subsidiaries. As at 31 December 2023 this group of regulated entities reported group capital resources after deductions of £25.7m against a capital resource requirement of £15.7m. The regulated group has met its capital requirements at all times throughout the period.

Fair value estimation

The Company has no financial liabilities carried at fair value (2022: £nil).

Offsetting financial assets and financial liabilities

The Company has no offsetting financial assets or liabilities (2022: £nil).

Fair value of financial instruments

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. The Company uses its judgement to make assumptions and select appropriate valuation methods.

4) Critical accounting estimates and assumptions

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Company makes estimates and assumptions concerning the future which seldom equal the related actual results.
The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

i) Goodwill, customer relationships and brand intangible assets

Accounting for business combinations involves the use of valuation techniques to assign a value to intangible assets such as customer relationships and brand at the date of acquisition, along with estimates of the useful life over which these intangibles will be amortised. Goodwill is then the difference between total assets acquired and the total consideration paid (note 11).

ii) Estimated value of goodwill

The UK Group tests annually whether the goodwill has suffered any impairment in accordance with the accounting policy stated in note 2l. The recoverable amounts have been determined based on value-in-use calculations. These calculations require the use of estimates (note 11).

iii) Estimated value of customer relationships

The UK Group performs tests whether the customer relationships intangible asset has suffered any impairment in accordance with the accounting policy stated in note 2l. The recoverable amounts have been determined based on value-in-use calculations. These calculations require the use of estimates (note 11).

iv) Deferred Consideration

The Group has entered into certain acquisition agreements that provide for a deferred consideration to be paid. The Group recognised all amounts management anticipates will be paid in full under the relevant acquisition agreement taking into account the contractual performance targets. This requires management to make an estimate of the expected future cash flows from the acquired client portfolio for the calculation of the present value of those cash flows. The assumptions factor in revenue targets and share valuation targets for the Group will be met and the conditions in which deferred consideration is elected to be treated.

v) Estimated value of internally generated intangible assets

The group tests annually whether the internally generated intangible assets recognised have suffered any impairment in accordance with the accounting policy stated in note 2l. The recoverable amounts are determined based on value-in-use calculations. These calculations require the use of estimates (note 11).

vi) Expected credit loss

The Group has assessed its trade receivables and replaced its policy of recognising a bad debt provision and implemented an ECL model. Further information on the ECL model can be found in note 2i.

vii) Remeasurement of leasehold improvement asset class

During the year the LLP moved to a remeasurement model for its assets held under the leasehold improvement asset class within Property, plant and equipment, using external specialists, a fair value was calculated based on the square footage that the leasehold improvement was undertaken on. Revaluation gains and losses are accounted for in accordance with the accounting policy stated in note 2y. These calculations require the use of estimates (note 10).

viii) Members Capital Rights

The right to payment of Members Capital Rights ("MCR") to ordinary members within Partners Wealth Management LLP ("PWM") was triggered when Ontario Teachers' Pension Plan Board acquired the majority stake in the 7IM consolidated group as described in Note 29. Given the nature of the requirement in the LLP amended and restated deed in relation to these MCR's, at the reporting date it was only considered that the Company has a possible obligation. See Note 28 for further details.

5) Revenue

The UK Group operates a number of business segments, which correspond to the operating entities that are included within the UK Group. These are Seven Investment Management LLP, 7IM Investment and Retirement Solutions Limited, Partners Wealth Management LLP, Amicus Wealth Limited and Find A Wealth Manager Limited. The Jersey Branch was closed in 2022.

	Group Year Ended 31 December 2023 £000	**Company Year Ended 31 December 2023 £000**	Group Year Ended 31 December 2022 £000	Company Year Ended 31 December 2022 £000
By business segment				
Seven Investment Management LLP	**74,431**	**-**	70,008	-
7IM Investment and Retirement Solutions Limited	**266**	**-**	165	-
Partners Wealth Management LLP	**22,711**	**-**	21,242	-
Find a Wealth Manager Limited	**1,216**	**-**	1,060	-
Amicus Wealth Limited	**456**	**-**	-	-
	99,080	**-**	92,475	-
By geographical market				
United Kingdom	**99,080**	**-**	92,355	-
Jersey	**-**	**-**	120	-
	99,080	**-**	92,475	-
By service line				
Private Client	**38,801**	**-**	37,764	-
Discretionary	**11,432**	**-**	11,764	-
Platform	**33,491**	**-**	26,534	-
Funds & Models	**15,356**	**-**	16,413	-
	99,080	**-**	92,475	-

6) Other Income

	Group Year Ended 31 December 2023 £000	**Company Year Ended 31 December 2023 £000**	Group Year Ended 31 December 2022 £000	Company Year Ended 31 December 2022 £000
Investment income from Seven Investment Management LLP	**-**	**11,709**	-	13,343
Investment income from Partners Wealth Management LLP	**-**	**5,820**	-	4,917
Income on exit from lease	**-**	**-**	1030	-
VAT refund	**-**	**-**	920	-
Jersey Branch	**-**	**-**	89	-
	-	**17,529**	2,039	18,260

Other income comprises investment income profits allocated from the investments in Seven Investment Management LLP and Partners Wealth Management LLP. Allocated profits are recognised once the Boards of both entities agree upon the distribution of profits.

7) Cost of sales and Administrative expenses

Cost of sales comprises direct costs charged to the Group by outsourced service providers, and revenue shares between Partners Wealth Management LLP and its members and advisers. The majority of the outsourced service provider costs, included in cost of sales, relate to custodian charges for client assets and fund administrative charges for the 7IM Investment Funds. It excludes indirect expenses which are recorded as administrative expenses.

Administrative expenses	Group Year Ended 31 December 2023 £000	Company Year Ended 31 December 2023 £000	Group Year Ended 31 December 2022 £000	Company Year Ended 31 December 2022 £000
Expenses by nature				
Staff costs	**25,033**	**156**	24,336	-
Members' remuneration	**14,002**	**-**	12,818	-
Professional fees	**4,058**	**2,288**	2,112	228
Depreciation	**3,165**	**-**	2,051	-
Amortisation and impairment	**3,706**	**-**	2,992	-
Office costs	**3,146**	**-**	2,101	-
IT costs	**4,748**	**7**	4,184	-
Marketing	**2,162**	**-**	1,877	-
Regulatory fees	**757**	**-**	1,518	-
Irrecoverable VAT	**2,182**	**155**	1,451	11
Deferred consideration	**367**	**-**	1,039	-
Other*	**2,132**	**405**	1,909	127
	65,458	**3,011**	58,388	366

* Other includes general administrative costs (e.g insurance, bank charges, donations, staff travel and incidental expenses, benefits and training, recruitment fees etc).

Auditor remuneration	**Group Year Ended 31 December 2023 £000**	**Company Year Ended 31 December 2023 £000**	Group Year Ended 31 December 2022 £000	Company Year Ended 31 December 2022 £000
During the year the Company obtained the following services from the Company's auditor and its associates:				
Fees payable to Company's auditor for the audit of the Company and consolidated financial statements	**70**	**70**	29	29
Fees payable to Company's auditor for other services:				
– the audit of other group entities	**409**	**-**	314	-
– other audit related assurance services	**78**	**-**	65	-
– fund audits	**16**	**-**	4	-
	573	**70**	412	29

There were no non-audit services provided during the year.

Staff costs (excluding Members)	**Group Year Ended 31 December 2023 £000**	**Company Year Ended 31 December 2023 £000**	Group Year Ended 31 December 2022 £000	Company Year Ended 31 December 2022 £000
Wages and salaries	**20,599**	**156**	20,304	-
Social security costs	**2,437**	**-**	2,292	-
Pension costs	**1,997**	**-**	1,740	-
	25,033	**156**	24,336	-

The average monthly number of staff in the UK Group (employees and Members) during the year was 504 (2022: 457). The Company has no employees or members.

The UK Group employees are all employed by Seven Investment Management LLP, Partners Wealth Management LLP, Amicus Wealth Limited and the members are all members of Seven Investment Management LLP or Partners Wealth Management LLP.

Key management compensation

i) Remuneration of Members of Seven Investment Management LLP

The twelve key management of Seven Investment Management LLP are all members and their remuneration is disclosed below. Members of Seven Investment Management LLP are allocated profits in accordance with the profit sharing arrangements for Seven Investment Management LLP.

Individual Members are entitled to a fixed monthly drawing. If Seven Investment Management LLP has income profits of less than the Members' fixed amounts, the Members shall nevertheless still be entitled to draw their fixed amounts as drawings for that financial period. Individual members may be entitled to a variable profit share based on their contribution to the business. This amount would be determined by the Executive Committee and approved by the Remuneration Committee.

The average monthly number of Members during the year was 73 (2022: 72), which included one Corporate Member.

Remuneration of Members of Partners Wealth Management LLP

Two of the key management of the UK Group are members of Partners Wealth Management LLP and their remuneration is disclosed below. Members of Partners Wealth Management LLP are allocated profits in accordance with the profit sharing arrangements for Partners Wealth Management LLP.

Individual Members are either entitled to a fixed monthly drawing or a revenue share. For those receiving fixed amounts if Partners Wealth Management LLP has income profits of less than the Members' fixed amounts, the Members shall nevertheless still be entitled to draw their fixed amounts as drawings for that financial period. Individual Members may be entitled to a variable profit share based on their contribution to the business. This amount would be determined by the Executive Committee and approved by the Remuneration Committee. For those receiving a revenue share this is calculated as a percentage of revenue received in the month and paid monthly in arrears. A six monthly revenue uplift is also calculated on revenue over a threshold and paid six monthly.

The average monthly number of Members during the year was 35 (2022: 32), which included one Corporate Member.

ii) Key management compensation

The UK Group's key management comprises twelve key management personnel who are members of Seven Investment Management LLP and two key management personnel who are members of Partners Wealth Management LLP. During the year ended 31 December 2023 the highest paid member of key management received emoluments of £750,000 (2022: £672,000). Key management compensation comprised the following:

	Year Ended 31 December 2023 £000	Year Ended 31 December 2022 £000
Short term employee benefits*	**4,787**	4,457
Other long-term benefits	**367**	1,039
*of which, £106,281 in relation to pension contribution	**5,154**	5,496

Other long-term benefits relate to deferred consideration (see note 22).

iii) Directors remuneration

The Directors remuneration relates to services provided to the UK Group. During the year ended 31 December 2023 the highest paid Director received remuneration of £750,000 (2022: £672,000). Directors remuneration comprised the following:

	Year Ended 31 December 2023 £000	Year Ended 31 December 2022 £000
Short term employee benefits	**1,372**	1,191
	1,372	1,191

The Directors do not receive any emoluments in respect of their services as Directors to the Company.

8) Finance income and costs

	Group Year Ended 31 December 2023 £000	Company Year Ended 31 December 2023 £000	Group Year Ended 31 December 2022 £000	Company Year Ended 31 December 2022 £000
Finance income				
Interest income on short-term bank deposits*	**270**	**15**	56	1
Interest on overpaid tax	**2**	**-**	-	-
Dividend income	**-**	**1,472**	-	536
Total finance income	**272**	**1,487**	56	537
Finance costs				
Interest payable on lease liabilities	**(461)**	**-**	(133)	-
Interest on underpaid tax	**(9)**	**(9)**	-	-
Total finance costs	**(470)**	**(9)**	(133)	-
Net finance (costs) / income	**(198)**	**1,478**	(77)	537

Dividend income received during the year relates to wholly owned subsidiaries. Find A Wealth Manager Limited (£472k) and CAP Partners Ltd (£1m).

9) Income tax expense

a) Analysis of charge in the year

	Group Year Ended 31 December 2023 £000	Company Year Ended 31 December 2023 £000	Group Year Ended 31 December 2022 £000	Company Year Ended 31 December 2022 £000
Current tax				
Current tax on profits for the year	**3,580**	**3,417**	3,307	3,122
Adjustments in respect of prior years	**(26)**	**(26)**	(104)	(104)
Total current tax	**3,554**	**3,391**	3,203	3,018
Deferred tax recovery				
Origination and reversal of temporary differences	**(92)**	**-**	(457)	-
Total deferred tax	**(92)**	**-**	(457)	-
Income tax expense	**3,462**	**3,391**	2,746	3,018

b) Factors affecting the tax charge for the year

The UK standard rate of corporation tax for 2023 was 23.5% blended (2022: 19%).

The tax assessed for the year is higher (2022:lower) than the UK effective rate of corporation tax for the year of 23.5% blended (2022: 19%). The differences are explained below:

	Group Year Ended 31 December 2023 £000	**Company Year Ended 31 December 2023 £000**	Group Year Ended 31 December 2022 £000	Company Year Ended 31 December 2022 £000
Profit before tax	**11,389**	**15,996**	15,211	18,431
Tax calculated at rates applicable to profits in the UK (23.5%blended)(2022: 19%)	**2,679**	**3,762**	2,890	3,502
Tax effects of:				
Expenses not deductible for tax purposes	**670**	**673**	4	1
Depreciation in excess of capital allowances	**(1)**	**(1)**	(1)	(1)
Share of taxable profits in excess of share of accounting profits from LLPs	**3,781**	**3,451**	3,189	3,189
Reallocation of taxable profit under mixed partnership rules	**(4,123)**	**(4,123)**	(3,232)	(3,469)
Adjustments in respect of prior years	**(26)**	**(26)**	(104)	(104)
Loss surrender from group companies	**-**	**-**	-	-
RDEC other income taxed in prior year	**-**	**-**	-	-
Deferred tax amortisation	**(92)**	**-**	(457)	-
Deferred tax adjustments in respect of prior years	**-**	**-**	-	-
Utilisation of tax losses not previously recognised	**-**	**-**	-	-
Customer relationship intangible amortisation	**573**	**-**	457	-
Dividends received from subsidiaries	**-**	**(346)**	-	(100)
Total tax charge	**3,461**	**3,391**	2,746	3,018

There is no income tax arising on amounts reported in other comprehensive income.

10) Property, plant & equipment

Group	IT equipment £000	Leasehold improvements £000	Furniture £000	Machinery and equipment £000	Right of use asset	Total £000
Cost						
As at 1 January 2022	2,258	720	254	123	7,090	10,445
Additions	1,189	5,510	107	46	7,812	**14,664**
Remeasurement to right-to-use asset	-	-	-	-	(90)	**(90)**
Disposals	(731)	(720)	(8)	-	(6,630)	**(8,089)**
As at 31 December 2023	2,716	5,510	353	169	8,182	**16,930**
Accumulated depreciation						
As at 1 January 2022	1,431	718	249	107	5,729	8,234
Addition relating to acquisition of subsidiary	18	-	1	-	-	**19**
Depreciation charge	687	447	13	18	2,000	**3,165**
Disposals	(720)	720)	(7)	-	(6,630)	**(8,077)**
As at 31 December 2023	1,416	445	256	125	1,099	**3,341**
Net book value						
As at 31 December 2023	**1,300**	**5,065**	**97**	**44**	**7,083**	**13,589**
As at 31 December 2022	827	2	5	16	1,361	2,211

The Company holds no fixed assets.

During 2023 the Group chose to change the recognition of assets held under the leasehold buildings and improvements classification from the cost model to the revaluation model. When the LLP moved into its new office there was a significant amount of leasehold improvement works inherited at zero cost that would not have been recognised in the financial statements under the cost model.

The Group engaged with the external specialist running the office move to attain a fair value of the leasehold improvements inherited. Based on current market knowledge it was estimated the cost per square footage the Group would incur to fit out the office to the existing standard. This price was then multiplied by the square footage of the office to calculate the fair value. As a result, an asset of £3,249,000 was recognised in October 2023, with an additional £1,960,000 being spent on leasehold improvements. If held under the cost model, the net book value of the leasehold buildings and improvement asset class as at 31 December 2023 would be £2,085,000.

The Group has chosen not to recognise the right of use asset within the remeasurement model and as a result has shown this as a separate asset class under the cost model. For further information on the right of use assets, please see note 19.

11) Intangible fixed assets

Group	Goodwill £000	Customer relationships £000	Brand £000	Intellectual property rights £000	Development costs £000	Total £000
Group						
Cost						
As at 1 January 2023	**44,903**	**29,580**	**1,799**	**210**	**6,999**	**83,491**
Additions	28,571	8,086	269	-	1,271	38,197
Disposals	-	-	-	-	(2)	(2)
As at 31 December 2023	**73,474**	**37,666**	**2,068**	**210**	**8,268**	**121,686**
Accumulated amortisation						
As at 1 January 2023	**-**	**12,101**	**1,190**	**209**	**4,082**	**17,582**
Charge for the year	-	2,161	276	-	1,269	3,706
Addition relating to the acquisition of subsidiary		-	-	-	3	3
Disposals	-	-	-	-	-	-
As at 31 December 2023	**-**	**14,262**	**1,466**	**209**	**5,354**	**21,291**
Net book value as at 31 December 2023	**73,474**	**23,404**	**602**	**1**	**2,914**	**100,395**
Net book value as at 31 December 2022	44,903	17,479	609	1	2,917	65,909

During the year, £167,000 of research and development costs were recognised as an expense in the Statement of comprehensive income of the UK Group, the Company had no research and development costs expensed during the year.

The Goodwill brought forward figure includes a balance of £7.7 million that arose on the acquisition of the business by Caledonia Investments plc on the 7 September 2015. Under IAS38 goodwill is classified as having an indefinite useful life and therefore is not amortised.

Additional goodwill of £19.0 million was recognised on the acquisition of Tcam Asset Management Group Limited by the Group on 31 July 2018. Goodwill is the difference between the acquisition price of £27.6 million and the net assets in the acquired business.

Goodwill of £15.9 million was recognised on the acquisition of Partners Wealth Management LLP by the Group on 30 September 2020. Goodwill is the difference between the acquisition price of £19.9 million and the net assets in the acquired business.

Goodwill of £2.3 million was recognised on the acquisition of Find A Wealth Manager Limited by the Group on 16 October 2020. Goodwill is the difference between the acquisition price of £3.0 million and the net assets in the acquired business.

On 8 December 2023 the Company acquired Amicus Wealth Limited, a London based financial advisory firm with £1.0bn of assets under management, which provides financial advisory services to high net worth clients. Amicus Wealth Limited will continue to operate as an independent brand but is now operating as an AR of Seven Investment Management LLP (a fellow subsidiary). Amicus continues with its existing advisers but has become a restricted 7IM business supported by the group functions, integrated with Seven Investment Management LLP. Goodwill of £28.6m was recognised during the year on a provisional basis because of the acquisition of Amicus only occurred on 8 December 2023 and as such, the associated determination of intangible assets, deferred tax and goodwill remains provisional. As part of the year end impairment assessment, the recoverable amount was determined to be higher than the carrying value. In determining the recoverable amount, the assumptions used included a long-term growth rate of 2% and a discount rate of 11.1%. The goodwill has been fully allocated to the Amicus CGU.

Management have performed an impairment review of the goodwill. The recoverable amount has been determined based on a value in use calculation. This calculation uses cash flow projections based projections covering a three year period. During the preparation of the UK Group projections, sensitivity analysis was performed on various scenarios. The three main sensitivities in the financial projections are the new asset inflows, redemption outflows and the overall valuation movement of investment markets.

Only under a scenario where the discount rate increases to 23.8% would there be an impairment requirement. Additionally there would need to be an impairment once the annual average cashflow growth rate were to fall beneath -5.4%. These sensitivities relate to the 7IM CGU.

For the Partners Wealth Management LLP CGU the recoverable amount exceeds the carrying value by £41.5 million. Projections used in the value in use calculation assumed one year EBITDA growth rate of 16% and market movement of 4.5%.

For the Find A Wealth Manager Limited CGU the recoverable amount exceeds the carrying value by £3.7 million. Projections used in the value in use calculation assumed one year EBITDA growth rate of 0% and market movement of 4.5%.

For the 7IM CGU the recoverable amount exceeds the carrying value by £120.1 million. Projections used in the value in use calculation assumed one year EBITDA growth rate of 34% and market movement of 4.5%.

The principle assumptions used in the estimation of the recoverable amounts are set out below.

	2023 **%**	2022 %
Pre-Tax Discount rate	**13.7%**	11.3%
Post Tax Discount rate	**11%**	9.2%
Terminal growth rate	**2.0%**	2.3%
Budgeted EBITDA growth rate average	**35.4%**	28.1%

Customer relationships and brand intangibles of £16.8 million and £1.1 million respectively were recognised under IFRS 3 as separately recognisable intangibles arising on the acquisition of the business by Caledonia Investments plc. Amortisation is charged on customer relationships and brand over the expected useful lives of fourteen and ten years, respectively. The customer relationships intangible has a remaining amortisation period of six years and the brand intangible has a remaining amortisation period of two years.

A customer relationships intangible of £8.1 million was recognised under IFRS 3 as a separately recognisable intangible arising on the acquisition of Tcam Asset Management Group Limited on 31 July 2018. Amortisation is charged on customer relationships over the expected useful life of fourteen years. This intangible has a remaining amortisation period of nine years.

Customer relationships and brand intangibles of £4.6 million and £0.3 million respectively were recognised under IFRS 3 as separately recognisable intangibles arising on the acquisition of Partners Wealth Management LLP on 30 September 2020. Amortisation is charged on customer relationships and brand over the expected useful lives of fourteen and three years, respectively. The customer relationships intangible has a remaining amortisation period of eleven years and the brand intangible has been amortised to zero.

A brand intangible of £0.5 million was recognised under IFRS 3 as a separately recognisable intangible arising on the acquisition of Find A Wealth Manager Limited on 16 October 2020. Amortisation is charged on the brand intangible over the expected useful life of five years. The brand intangible has a remaining amortisation period of two years.

The purchase price allocation for Amicus Wealth Limited (shown as Additions in Note 11) have been prepared on a provisional basis in accordance with IFRS 3 Business Combinations because of the acquisition completing within one month prior to the year end and information regarding the intangible assets is still being sought. As a result, the intangible asset, deferred tax and goodwill amounts in the table as Additions are provisional. If new information is obtained within one year of the acquisition date , about facts and circumstances that existed at the acquisition date, identifies adjustments to the amounts that existed at the date of acquisition, then the accounting for the acquisition will be revised.

Intellectual property rights relate to a smart phone and tablet application, and has been amortised over three years.

The development costs include a smart phone and tablet application which is developed in phases. Costs are capitalised when incurred and amortisation commences when each phase goes live. The first phase was capitalised on 1 April 2013 and has been fully amortised. The later phases' amortisation periods have various end dates.

Development costs in the Group also include the development of multiple projects to update the Group's platform. Costs have been capitalised when incurred and amortisation commences when the final phase goes live.

The Group has assessed whether there is any indication for impairment of the customer relationships, brand and all other intangibles. Management has performed this review and concluded that no impairment is required.

12) Investments

i) Principal subsidiaries

The UK Group had the following subsidiaries at 31 December 2023:

Subsidiary	Country of incorporation	Nature of business	Proportion of ordinary shares directly held by parent company %	Proportion of ordinary shares held by the UK Group %	Included in Consolidated Financial Statements	Aggregate amount of capital and reserves £000	Profit for the year £000
Seven Investment Management LLP*	United Kingdom	Investment management	-	-	Yes	31,352	17,196
7IM Investment and Retirement Solutions Limited	United Kingdom	Pension & asset management	-	100	Yes	2,432	185
7IM Trustees Limited (dormant)	United Kingdom	Pension Trustee Committee	-	100	Yes	-	-
Find a Wealth Manager Limited	United Kingdom	Wealth Manager introducer	-	100	Yes	375	374
Partners Wealth Management LLP**	United Kingdom	Financial advisory services	-	-	Yes	4,160	12,564
7IM Limited	United Kingdom	Dormant Company	-	100	No	-	-
Amicus Wealth Limited	United Kingdom	Financial Management	-	100	Yes	1,166	(53)
CAP Partners Ltd	United Kingdom	Financial Management	-	100	Yes	23	-

* The investment in Seven Investment Management LLP held by the Company consists of 95.01% of the voting rights while the remaining 4.99% of voting rights belong to individual members of the LLP. The profit includes a profit distribution to the Company that is also accrued in the Company of £7.0 million (2022: £4.8 million).

** The investment in Partners Wealth Management LLP held by the Company consists of 95.01% of the voting rights while the remaining 4.99% of voting rights belong to individual members of the LLP. The profit includes a profit distribution to the Company that is also accrued in the Company of £1.0 million (2022: £2.7 million).

ii) Investment in subsidiaries

	2023 £000	2022 £000
Investment in subsidiaries		
As at 1 January	**81,080**	81,010
Additions	**37,677**	70
Disposals	**-**	-
As at 31 December	**118,757**	81,080

The Company has an investment in Seven Investment Management LLP, an entity incorporated in the UK on 24 September 2012 and based at 1 Angel Court, London, United Kingdom, EC2R 7HJ. Seven Investment Management LLP provides investment management services to individual clients and a range of Open Ended Investment Companies and Model Portfolios, as well as platform services to financial intermediaries. The Company became the Corporate Member of Seven Investment Management LLP on 24 September 2012. The original investment was in the form of a capital contribution equal to the net asset value of the business transferred on 1 March 2013, which was £13,604,000. Subsequently in 2013, capital units in Seven Investment Management LLP were issued to LLP members, with the option to sell the units back to the Corporate Member (the Company) after three years. The company made additional investments in Seven Investment Management LLP during 2023 of £367,000, bringing the total investment to £16,041,000 of member capital to the Company. The Company holds 95% of the voting rights of Seven Investment Management LLP while the remaining 5% of voting rights belong to individual members. An amount of £15,604,000 has been recognised under IFRS in respect of these capital units.

On 31 July 2018 the Company acquired an investment in Tcam Asset Management Group Limited purchasing the entire share capital for £27.6 million. The main business of the TCAM Asset Management Group Limited was carried out by its subsidiary, 7IM Financial Solutions Limited, which itself had three subsidiaries, namely Tcam Nominees Limited, Tcam Nominees (No.1) Limited and Tcam Nominees (No.6) Limited. During the year ended 31 December 2020 all these entities were dissolved, and the remaining £2,474,000 investment in Tcam Asset Management Group Limited was fully impaired.

Prior to 31 December 2018 7IM Financial Solutions Limited's clients, AUM, staff and operations transferred to Seven Investment Management LLP. As such the Company's investment in Tcam Asset Management Group Limited, the parent of 7IM Financial Solutions Limited, was reduced to the Net Asset value of Tcam Asset Management Group Limited as at 31 December 2018. The value of this investment was calculated to be £25.1 million and was added to the Company's investment in Seven Investment Management LLP.

7IM Investment and Retirement Solutions Limited was incorporated on 7 August 2017 as a wholly owned subsidiary of Seven Investment Management LLP. 7IM Investment and Retirement Solutions Limited provides retirement planning solutions to clients and operates the 7IM Self Invested Personal Pension ('SIPP'). It also became authorised to carry out financial planning services during the prior year. On 19 October 2020, the Company acquired 7IM Investment and Retirement Solutions Limited from Seven Investment Management LLP for £1.3 million. During 2022, the company made a further £250,000 investment in 7IM Investment and Retirement Solutions Limited.

On 30 September 2020 the Company acquired Partners Wealth Management LLP, a London based financial advisory firm with £2.2 billion AUM, which provides financial advisory services to high net worth clients. Partners Wealth Management LLP was acquired for an initial £19,927,000, with further deferred consideration to be paid over the next three years. The Company holds 95% of the voting rights of Partners Wealth Management LLP while the remaining 5% of voting rights belong to individual members.

On 16 October 2020 the Company acquired the entire share capital of Find A Wealth Manager Limited, a wealth manager online introducer, which aims to help affluent individuals find an appropriate match for their needs. The Company's investment in Find A Wealth Manager Limited is £2,964,000. A further £86,000 was paid on 6 September 2022 on the Find a Wealth Manager Limited's resolution of the contingent liability due to HMRC. The Company's total investment in Find A Wealth Manager Limited is £3,050,000.

Amicus Wealth Limited

On 8 December 2023 the Company acquired Amicus Wealth Limited, a London based financial advisory firm with £1.0bn of assets under management, which provides financial advisory services to high net worth clients. Amicus Wealth Limited will continue to operate as an independent brand but is now operating as an AR of Seven Investment Management LLP (a fellow subsidiary). Amicus continues with its existing advisers but has become a restricted 7IM business and is supported by the 7IM wider functions and is now integrated with Seven Investment Management LLP.

The Directors believe that the carrying value of the investments is supported by their underlying net assets.

13) Trade and other receivables

	Group 2023 £000	Company 2023 £000	Group 2022 £000	Company 2022 £000
Non-current assets				
Other receivables	**150**	**-**	150	-
Current assets				
Receivables from related parties	**-**	**8,569**	-	7,622
Settlement debtors	**17,619**	**-**	15,275	-
Prepayments	**2,840**	**-**	2,368	14
Accrued income	**8,051**	**-**	8,752	-
Other receivables	**9,927**	**-**	6,941	-
Value added tax	**615**	**290**	450	188
	39,052	**8,859**	33,786	7,824

The carrying value of trade and other receivables classified at amortised cost approximates fair value.

Receivables due from related parties are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

Settlement debtors are amounts due to 7IM Funds for the sale of units in the 7IM OEICs. As ACD of the funds Seven Investment Management LLP includes these balances in its statement of financial position.

14) Trade and other payables

	Group 2023 £000	**Company 2023 £000**	Group 2022 £000	Company 2022 £000
Current liabilities				
Settlement creditors	**17,617**	**-**	15,263	-
Trade payables	**758**	**295**	2,635	286
Other payables	**11,925**	**1,302**	7,169	17
Lease liabilities	**1,371**	**-**	1,242	-
Accrued expenses	**11,394**	**1,055**	8,755	91
Current income tax liability	**1,522**	**1,670**	452	478
	44,587	**4,322**	35,516	872
Non-current liabilities				
Lease liabilities	**6,543**	**-**	359	-
Amounts due to related parties	**-**	**2,213**	-	2,218
	6,543	**2,213**	359	2,218

The carrying value of trade and other payables classified as financial liabilities measured at amortised cost approximates fair value.

Amounts due to related parties are unsecured. At 31 December 2023 the Company owes Seven Investment Management LLP £2,213,000 relating to a non-current liability. The balance consists of £1,298,000 relating to the acquisition of 7IM Investment and Retirement Solutions Limited and £920,000 relating to the Vat refund received on behalf of Seven Investment Management slightly reduced by £5,000 of costs incurred on behalf of the LLP during the year. The balance is held as a non-current liability, on which no interest is being charged. See related party note 25.

Settlement creditors are amounts payable from 7IM Funds to investors for the repurchase of their units in the 7IM OEICs. As ACD of the funds Seven Investment Management LLP includes these balances in its statement of financial position.

15) Provision

	Group 2023 £000	**Company 2023 £000**	Group 2022 £000	Company 2022 £000
Provision at 1 January	**3,352**	**-**	4,006	-
Increase/ (Reduction) in valuation	**924**	**-**	(724)	-
Other provision movements	**(5)**	**-**	70	-
Provision at 31 December	**4,271**	**-**	3,352	-

In it capacity as Authorised Corporate Director, Seven Investment Management LLP ("7IM LLP") has commenced on a remediation programme in respect of an illiquid asset held as an asset by a number of 7IM Funds which has been overseen by the Fund's Depositary and also as apprised to the Financial Conduct Authority.

During 2021 the LLP made an original provision of £4,006,000 in relation to the remediation programme which encompasses remediation of the 'Prospective Loss'. The Prospective Loss is designed to provide investors with the greater of the final value recovered (via the appointed liquidator of the aforementioned illiquid asset) or the 'Proxy Value', calculated as the performance of the relevant Investment Association (IA) Sector Average Peer Group (the IS Flexible Investment) from the point of liquidation June 2019. This was updated to £3,352,000 during the year ended 31 December 2022.

During the year the provision was revalued and increased by £924,000, with a £5,000 accrual released against the provision, leaving a provision balance at 31 December 2023 of £4,271,000.

The Prospective Loss is payable upon completion of the liquidation process or sooner dependent on the recovery profile and outlook. 7IM LLP will make payment to the 7IM Funds closing the accrual.

The entire value of this provision is covered by a corresponding reimbursement asset, discounted using a 1 year discount rate of 4.74%, which has been recognised in trade and other receivables.

The LLP has recognised a reimbursement asset in relation to an amount which is due to be received from its insurer. The asset is inextricably linked to a provision of which there is uncertainty over the timing and the amount which is due to be paid. As a result, under IAS 37 the LLP's best estimate of the provision and as a result the reimbursement asset includes a discount. The discount was calculated using a financial model which takes into account external benchmarking factors alongside the knowledge LLP has over the value of both the asset and the liability.

16) Deferred taxation

	Group 2023 £000	Company 2023 £000	Group 2022 £000	Company 2022 £000
Deferred tax liabilities				
Deferred tax liability to be recovered in less than one year	-	-	361	-
Deferred tax liability to be recovered after more than one year	**6,483**	-	4,126	-
Deferred tax liability	**6,483**	-	4,487	-

The deferred tax liability relates to the customer relationship, intangible assets, Leasehold improvements including the revaluation to Other Comprehensive Income.

17) Borrowings

The Company had an overdraft facility of £2,000,000 with National Westminster Bank plc that expired on 30 September 2022. The fee for initially setting up this facility was £192,000, which was recharged to the Company by its former parent, Caledonia Thames Acquisition Limited, who had arranged it in 2015. The Company has recognised this fee as a prepayment and has amortised it over the length of the facility as liquidity services, in accordance with IAS 39.

The Company also paid a fixed facility commitment fee of £3,500 per quarter for provision of this facility. This fee is accrued in the statement of comprehensive income each month, and amounted to £14,000 for the year ended 31 December 2022.

The facility was secured by floating charges over the assets of the Company, Find A Wealth Manager Limited, Caledonia Thames Acquisition (Jersey) Limited, and Caledonia Thames Group (Jersey) Limited.

18) Pension scheme

Seven Investment Management LLP contributes to a defined contribution pension scheme and to Self Invested Personal Pensions according to the employee’s choice and, under the terms of Seven Investment Management LLP’s flexible benefit policy, Seven Investment Management LLP made contributions at a rate of up to 10% of pensionable salary. The cost of contributions in the year was £1,892,000,000 (2022: £1,643,000). Outstanding contributions at the statement of financial position date were £205,000 (2022: £143,000). Under the terms of the pension Act 2008, all eligible employees are auto enrolled into the Group Pension Scheme on commencement of employment. Seven Investment Management LLP’s staging date for Auto Enrolment was 1 July 2017. Seven Investment Management LLP has complied with its Auto Enrolment responsibilities under the Pensions Act 2008 and submitted its declaration to the regulator on 22 July 2020.

Partners Wealth Management LLP contributes to a defined contribution pension scheme, and makes a contribution of 4% of pensionable salary. Since acquisition date Partners Wealth Management LLP has made contributions of £101,000 (2022: £96,000). Outstanding contributions at the statement of financial position date was £18,000 (2022: £16,000).

19) Leases

Leases as lessee (IFRS 16)

Seven Investment Management LLP

During the year ended 31 December 2023 Seven Investment Management LLP leased four offices. Two in London, and two in Edinburgh. Two offices were vacated in the year with one office in both Edinburgh and London remaining at the end of the year.

The London Bishopsgate office lease commenced in September 2015 under a non-cancellable operating lease agreement, with an eight year term ending in 2023 and a 13 month rent-free period. During the year Seven Investment Management LLP did not renew the lease when the term ended and vacated the premises.

On 23 August 2017 the lease for the Ocean Point office in Edinburgh was assigned from the Company to Seven Investment Management LLP. The lease had an expiry date of 20 September 2023 and during this year Seven Investment Management LLP did not renew the lease and vacated the premises.

The Princes Exchange office in Edinburgh was re-assigned from 7IM Financial Solutions Limited to Seven Investment Management LLP in December 2019, with an original lease term ending in December 2025. During 2023 the lease was extended during a rent review and now has a term ending in December 2030 and a 6 month rent free period.

A new lease was taken out in March 2023 for Premises in Angel Court, London, on a 5 year term ending in July 2028. The lease was assigned to Seven Investment Management LLP from the previous tenants who have vacated the office space. Partners Wealth Management LLP have also moved into the Angel Court office as part of a reorganisation of the Groups premises.

Seven Investment Management LLP leases IT equipment with contract terms of one to two years. These leases are short-term and/or leases of low-value items. Seven Investment Management LLP has elected not to recognise right-of-use assets and lease liabilities for these leases.

Partners Wealth Management LLP

Partners Wealth Management LLP leased one office in London. The office lease commenced in June 2018 under a non-cancellable operating lease agreement, with a ten year term ending in 2028 and a 12 month rent-free period. The agreement included a break clause in 2023 which, Partners Wealth Management LLP exercised, vacating the premises and moving into the Angel Court Office with Seven Investment Management LLP.

Amicus Wealth Limited

Amicus Wealth Limited leases one office in London. The office lease commenced in October 2023 under a non-cancellable operating lease agreement with a 5 year term ending in 2028 and a 10 month rent free period.

i) Right-of-use assets

Right-of-use assets related to leased properties that do not meet the definition of investment property are presented as property, plant and equipment (see note 10).

	2023 **£000**	2022 £000
As at 1 January	**1,361**	2,834
Additions	**7,812**	127
Remeasurement	**(90)**	-
Depreciation charge for the year	**(2,000)**	(1,600)
As at 31 December	**7,083**	1,361

ii) Lease liabilities

	2023 **£000**	2022 £000
As at 1 January	**1,601**	3,253
Additions	**8,231**	127
Lease payments made in the year	**(2,222)**	(1,912)
Interest payable on lease liabilities	**461**	133
Transfer of dilapidation to provision	**(157)**	-
As at 31 December	**7,914**	1,601

iii) Amounts charged to statement of comprehensive income

Interest payable on lease liabilities	**461**	133

iv) Amounts recognised in the statement of financial position

The table below summarises the maturity profile of the UK Group's lease liabilities based on contractual undiscounted payments after the reporting date:

	Within 1 year or repayable on demand **£000**	**1-5 years** **£000**	**>5 years** **£000**	**Total** **£000**
Interest bearing lease liabilities 2023	**1,371**	**6,219**	**324**	**7,914**
Interest bearing lease liabilities 2022	1,242	359	-	1,601

20) Share capital and premium

2023	**Shares authorised and issued number**	**Ordinary shares £000**	**Share premium £000**	**Preference shares £000**	**Total £000**
Authorised, issued and fully paid					
Ordinary shares of £0.01 at various premiums	**8,654,677,138**	**86,547**	**23,177**	**-**	**109,724**
	8,654,677,138	**86,547**	**23,177**	**-**	**109,724**

Holders of ordinary shares are entitled to ordinary dividends as declared from time to time and are entitled to one vote per share at general meetings of the Company.

During 2023 the company issued 3,310,000,000 ordinary shares of 0.01 to Caledonia Thames (Acquisitions) Jersey Ltd.

2022	Shares authorised and issued number	Ordinary shares £000	Share premium £000	Preference shares £000	Total £000
Authorised, issued and fully paid					
Ordinary shares of £0.01 at various premiums	5,344,677,138	52,762	23,162	-	75,924
8% preference shares of £0.01 each	-	-	-	700	700
Reclassification of preference shares	-	685	15	(700)	-
	5,344,677,183	53,447	23,177	-	76,624

21) Dividends

Declared and paid during the year	**Group 2023 £000**	**Company 2023 £000**	Group 2022 £000	Company 2022 £000
Dividends paid on ordinary shares	**10,551**	**10,551**	13,623	13,623
Dividends paid on 8% preference shares	**-**	**-**	33	33
	10,551	**10,551**	13,656	13,656

Interim dividends amounting to £0.00122 per share were declared and paid by the Company during the year ended 31 December 2023 (2022 dividends paid of £0.0.00258 per share).

22) Share based payment reserve

	Group 2023 £000	Company 2023 £000	Group 2022 £000	Company 2022 £000
As at 1 January	**4,633**	**-**	3,594	-
Movement for the year	**367**	**-**	1,039	-
As at 31 December	**5,000**	**-**	4,633	-

Deferred consideration relating to the acquisition of the Partners Wealth Management LLP by 7IM Holdings Limited on 30 September 2020 is being treated as employee remuneration under IFRS2 and IAS19, rather than acquisition consideration in accordance with the requirements of IFRS 3 based on the terms of the agreement. Deferred consideration is to be calculated and paid annually for the next two years on the anniversary of the acquisition date on 30 September 2020 to two members of Partners Wealth Management LLP subject to meeting agreed revenue targets. Deferred consideration will be paid in both cash and reinvestment shares. Certain conditions exist where a portion of the deferred consideration may require mandatory reinvestment into ordinary shares in the parent of the Group, Caledonia Thames Holdings (Jersey) Limited.

The obligation to pay any deferred consideration to the two members has been novated up to Caledonia Thames Acquisitions (Jersey) Limited, which means that the Company does not need to account for any financial liability or obligation. Please see Accounting Policy 2z for further details. Within the Group, charges are made to the statement of comprehensive income of Partners Wealth Management LLP and Caledonia Thames Acquisitions (Jersey) Limited.

For the period ended 31 December 2023, Partners Wealth Management LLP has accrued £367,000 (2022: £1,039,000) of expense in its statement of comprehensive income, which has been credited to a Share Based Payment Reserve. These balances are reflected in the UK Group balances at year-end.

23) Revaluation reserve

	Group 2023 £000	Company 2022 £000
As at 1 January	**-**	-
Movement for the year	**3,249**	-
As at 31 December	**3,249**	-

The revaluation reserve consists of leasehold improvement assets within Property, plant and equipment that are held under the remeasurement model, they are remeasured every 5 years, with Gains being recognised within Other Comprehensive Income. Any subsequent losses are recognised in Other comprehensive income to the extent that there are sufficient gains to offset against. Once exhausted any further revaluation gains will be recognised in the Profit and Loss.

24) Fair value measurement

The table below shows Property plant and equipment held at fair value through Other comprehensive income

	Level 1 £000	Level 2 £000	Level 3 £000	Total £000
Property, plant and equipment	**-**	**5,065**	**-**	**5,065**

Property, plant and equipment

Property plant and equipment held at fair value through Other comprehensive income comprises leasehold improvement assets. The LLP engaged with external specialists and was advised on the current value of the fitout based on the square footage of its premises. The revaluation was undertaken at 31 October 2023 where a gain of £3,249,000 was recognised in the Revaluation reserve via Other comprehensive income.

The LLP is holding the assets at Level 2 hierarchy as the value has been obtained using market data from an external, independent source.

25) Related parties

The Company is fully owned by Caledonia Thames Acquisition (Jersey) Limited. The ultimate parent company at the reporting period end was Caledonia Investments plc.

Consolidated financial statements are prepared by both Caledonia Thames Holdings (Jersey) Limited and Caledonia Thames Group (Jersey) Limited, which include the Company's parent, Caledonia Thames Acquisition (Jersey) Limited, and the Company's subsidiaries, namely, Seven Investment Management LLP, 7IM Investment and Retirement Solutions Limited, 7IM Trustees Limited, Partners Wealth Management LLP, Amicus Wealth Limited, CAP Partners Limited and Find A Wealth Manager Limited.

Transactions and balances with subsidiaries

Seven Investment Management LLP

Since 24 September 2012 the Company has been the Corporate Member of Seven Investment Management LLP.

At 31 December 2023, the long-term payable balance with Seven Investment Management LLP was £2,213,000 (2022: £2,218,000) consisting of the following:

On 19 October 2020 Seven Investment Management LLP's subsidiary, 7IM Investment and

Retirement Solutions Limited, was acquired by the Company. This acquisition was for the net asset value of £1.3 million. At 31 December 2022 the Company has a non-current payable of £1.298 million due to Seven Investment Management LLP for the sale proceeds. This consideration loan shall not bear interest unless and until otherwise agreed by both entities.

During 2022, 7IM Holdings Ltd received a VAT refund of £920,000 from HMRC and during 2023 £5,000 of expenses were incurred on behalf of the Company, which is classified as a non-current payable and is also outstanding at 31 December 2022.

At the year end the current receivable outstanding from Seven Investment Management LLP was £539,000 (2022: £106,000) consisting of £106,000 brought forward from 2022, £313,000 of costs incurred by 7IM Holdings Ltd during the year, additional VAT owed to 7IM Holdings Ltd in the year of £130,000 less a £10,000 payment made during the year.

At 31 December 2023 the total receivable due from Seven Investment Management LLP was £7,548,000 (2022: £4,906,000), which is made up of the profit share from Seven Investment Management LLP of £7,009,000 (2022: £4,800,000) and a receivable balance of £539,000 (2022: £106,000). Prior year balance of £4,800,000 receivable relating to profit share from Seven Investment Management LLP was settled during 2023.

	2023 **£000**	2022 £000
Seven Investment Management LLP Current Receivable	**540**	106
Seven Investment Management LLP Profit Share	**7,009**	4,800
Total	**7,549**	4,906

At the year end the following amounts were payable to Seven Investment Management LLP in respect of the acquisition of 7IM Investment and Retirement Solutions Limited by the Company and a VAT refund received during 2022 from HMRC by LLP on behalf of 7IM Holdings Limited:

	2023 **£000**	2022 £000
Seven Investment Management LLP	**(2,213)**	(2,218)

Partners Wealth Management LLP

On 30 September 2020 the Company acquired Partners Wealth Management LLP, a London based financial advisory firm with £2.2 billion AUM, which provides financial advisory services to high net worth clients. Partners Wealth Management LLP has been a 7IM intermediary client of Seven Investment Management LLP for a number of years. The Company is the Corporate Member of Partners Wealth Management LLP, and the investment is carried at £19,927,000, with further deferred consideration paid up during 2023.

At 31 December 2023 the receivable due from Partners Wealth Management LLP was £1,020,000, (2022: £2,716,000) which is made up of the profit share from Partners Wealth Management LLP.

	2023	2022
	£000	£000
Partners Wealth Management LLP Profit Share	**1,020**	2,716

Other Subsidiaries

There were no transactions between the Company and any of its other Subsidiaries during the year ending 31 December 2023.

Key Management Personnel

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly. Compensation includes all employee benefits as disclosed in note 7. Directors' remuneration is also disclosed in note 7.

Transactions and balances with parent

Caledonia Thames Acquisitions (Jersey) Limited

During the year, dividends of £10,551k was paid to the parent, Caledonia Thames Acquisitions (Jersey) Limited.

26) Ultimate parent company and controlling party

The immediate parent undertaking is Caledonia Thames Acquisition (Jersey) Limited and they are the controlling party at year end. The address of its registered office is 22 Grenville Street, St Helier, JE4 8PX,Jersey.

At the reporting date, the Company's ultimate parent and ultimate controlling party is Caledonia Investments plc, a UK incorporated entity. Both Caledonia Thames Holdings (Jersey) Limited and Caledonia Thames Group (Jersey) Limited prepare consolidated financial statements, including 7IM Holdings Limited.

On 18 January 2024, OTPP completed its acquisition of a majority stake in the overall 7IM Group. At the date of signing, the Companies ultimate parent company and ultimate controlling party is OTPP.

27) Cash generated from / (used in) operations

	Group Year Ended 31 December 2023	**Company Year Ended 31 December 2023**	Group Year Ended 31 December 2022	Company Year Ended 31 December 2022
	£000	**£000**	£000	£000
Operating profit before tax	**11,587**	**14,518**	15,288	17,894
Adjustments for:				
Prepaid debt fees	**14**	**14**	57	57
Tangible fixed assets depreciation (note 10)	**3,165**	**-**	2,051	-
Intangible fixed assets amortisation (note 11)	**3,706**	**-**	2,992	-
Addition and remeasurement in right of use asset	**(7,722)**	**-**	-	-
Disposal and acquisition of fixed and intangible assets (note 10 and 11)	**16**	**-**	-	-
(Increase) in trade and other receivables (note 13)*	**(5,304)**	**(8,562)**	(1,087)	(20,006)
Increase/ (decrease) in trade and other payables (note 14) **	**12,505**	**949**	2,266	1,350
Net cash generated / (used in) operating activities	**17,967**	**6,919**	21,567	(705)

*Movement excludes prepaid debt fees and accrued interest.

**Movement excludes interest payments, deferred and current tax movements, provisions and deferred consideration.

28) Contingencies and Commitments

As a result of the acquisition of Partners Wealth Management ("PWM") LLP by 7IM Holdings Limited in September 2020 , the payment for the Members Capital Rights ("MCR") was triggered. However, the Ordinary Members waived their rights to payments under the MCR at that time and instead entered into an amended and restated PWM LLP deed and an amended and restated Ordinary Member's agreement with PWM LLP. In this revised agreement, the Ordinary Members subscribed to new MCR units on terms substantially similar to those outlined in the original deed, with the exit event being the sale or the disposal of substantially all assets of PWM LLP, 7IM,the Topco,or the listing of Topco's ordinary shares. The potential exit event was triggered when Ontario Teachers' Pension Plan Board acquired the majority stake in the 7IM consolidated group as described in Note 29 and would ultimately occur on the completion of the acquisition on 18 January 2024, subsequent to the financial year-end. At the reporting period end, it was expected that the completion would occur, but it was not a certainty. Given that the exit wasn't certain at 31 December 2023 and the obligation could possibly reside with either the PWM, the Company or the relevant purchaser, the Directors consider the economic outflow to the entity to be remote and are recognising the possible obligation in relation to the MCR's of £16.4m as a contingent liability.

29) Post Balance Sheet Events

On 5 September 2023, Caledonia Investments plc (the ultimate parent at the reporting date) announced its intention to sell its majority stake in the UK Group to Ontario Teachers' Pension Plan Board (OTPP). The subsequent Change of Control was approved by the FCA on 15 December 2023. On the 18 January 2024, OTPP completed its acquisition of a majority stake in the overall 7IM Group.

At the date of signing, the LLP's ultimate parent company and controlling party is Ontario Teachers' Pension Plan Board.

As part of the ultimate change in ownership on 18 January 2024, Great Bear BidCo Limited, a Company incorporated in Jersey on 18 August 2023, bought the entire shareholding of Caledonia Thames Holdings (Jersey) Limited.

On 19 March 2024 the existing three Jersey entities in the 7IM Group at the reporting date; Caledonia Thames Holdings (Jersey) Limited, Caledonia Thames Group (Jersey) Limited and Caledonia Thames Acquisitions (Jersey) Limited were orphaned under Great Bear BidCo Limited such that Great Bear BidCo Limited ultimately holds the direct investment and 100% shareholding in 7IM Holdings Limited.

On 20 March 2024 the Company acquired Barston Holdings Limited the ultimate parent of Eastcote Wealth Management Limited, a Midlands based independent financial advisory firm with £450m of assets under management, which provides financial advisory services to high net worth clients. Eastcote Wealth Management Limited will continue to operate as an independent business in its current location expanding our footprint, retaining its brand, identity and advisors, though some support functions will be integrated with Seven Investment Management LLP (a fellow subsidiary).

30) Business Combinations

On 8 December 2023 the UK Group acquired Amicus Wealth Limited, a London based financial advisory firm with £1.0 billion of assets under management, which provides financial advisory services to high net worth clients. Amicus Wealth Limited will continue to operate as an independent brand but is now operating as an authorised representative of Seven Investment Management LLP (a fellow subsidiary). Amicus Wealth Limited continues with its existing advisers but has become a restricted 7IM business supported by the group functions, integrated with Seven Investment Management LLP.

The consideration for the acquisition amounted to total of £37.06 million, comprising a combination of cash, equity, and deferred consideration. The cash and equity consideration paid by the Company for the acquisition totalled to £36.14 million. Additionally, a portion of the consideration was structured as deferred consideration with undiscounted and discounted amount of £1.07 million and £0.92 million respectively. This deferred consideration was discounted to its present value using 14.71% discount rate over three yearly payments.

	Book Value	Fair Value Adjustments	Fair value
Intangible assets	12,377	8,355,713	8,368,090
Cash and Cash Equivalent	4,468,888	-	4,468,888
Property, Plant and equipment	253,850	-	253,850
Trade and other receivables	113,330	-	113,330
Corportion tax receivables	117,658	-	117,658
Trade and other payables	(2,742,522)	-	(2,742,522)
Deferred tax liability on intangible assets	-	(2,088,928)	(2,088,928)
Total identifiable net asset	**2,223,581**	**6,266,785**	**8,490,365**
Non- controlling interest	-	-	-
Goodwill on the business combination			28,569,541
Discharged by:			
Cash consideration			26,138,949
Equity consideration			10,000
Deferred consideration not treated as remuneration			920,958

The purchase price allocation for Amicus Wealth Limited have been prepared on a provisional basis in accordance with IFRS 3 Business Combinations because of the acquisition completing within one month prior to the year end and information regarding the intangible assets is still being sought. As a result, the intangible asset, deferred tax and goodwill amounts are provisional. If new information is obtained within one year of the acquisition date , about facts and circumstances that existed at the acquisition date, identifies adjustments to the amounts that existed at the date of acquisition, then the accounting for the acquisition will be revised.