



Insight Investment Management (Global) Limited

Directors' report and financial statements

Year ended 31 December 2020

Registered No: 827982

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Directors' report

The Directors present their report and the audited financial statements for the year ended 31 December 2020.

Result and dividends

Insight Investment Management (Global) Limited ("the Company") recorded a profit before tax for the financial year of £99.8 million (2019: £98.0 million). Dividends totalling £140 million (2019: £105 million) have been approved and paid by the Directors to Insight Investment Management Limited during the year.

The directors do not recommend the payment of a final dividend.

Principal activities and business review

The principal activity of the Company is the provision of investment management services primarily to the Insight group as defined below. The Company is a wholly owned subsidiary undertaking of Insight Investment Management Limited, which is registered in England and Wales and operates in the United Kingdom.

The Company is part of a group made up of Insight Investment Management Limited, Insight Investment Services Limited, Insight Investments Management (Global) Limited, Insight Investment Australia Pty Ltd, Insight Investment International Limited, Insight Investment Funds Management Limited and Insight Investment Management (Europe) Limited of which is defined as Insight. Insight is a subsidiary of The Bank of New York Mellon Group otherwise defined as the Group.

The Company has been appointed by Insight Investment Management (Europe) Limited as the delegated investment manager and distributor of Insight's Irish LDI Solutions Plus ICAV, effective as of 7 December 2020.

Going concern

The Company's business activities, together with the factors likely to affect its future development, performance and position are set out in the Strategic report on pages 6 to 13. In addition, the Directors' report on pages 3 to 5 includes the Company's objectives, policies and processes for managing its capital; its financial risk management objective and its exposures to credit and liquidity risk.

The Company has adequate liquidity and capital. The directors perform an annual going concern review that considers, under a stress test scenario, the Company's ability to meet its financial obligations as they fall due, for a period of at least twelve months after the date that the financial statements are signed. As a consequence, the directors believe that the Company is well placed to manage its business risks successfully despite the current uncertain economic outlook.

Audit information

The Directors who held office at the date of approval of this Directors' report confirm that, so far as they are aware, there is no relevant audit information of which the Company's auditor is unaware and each Director has taken all the steps that they ought to have taken as a Director to make themselves aware of any relevant audit information and to ensure that the Company's auditor is aware of that information.

Auditor

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

Political and charitable contributions

The Company made no political contributions during the year (2019: £nil). Donations to UK charities amounted to £nil (2019: £nil), however Insight staff worked closely in 2020 with some of our chosen charitable partners, with various fund raising events organised throughout the year.

Employees

Full and fair consideration is given to applications for employment made by disabled persons having regard to their particular aptitudes and abilities. Appropriate training is arranged for disabled persons, including retraining for alternative work of employees who become disabled, to promote their career development within the organisation.

Our employee policy is consistent with the BNY Mellon group wide policy, although this entity has no direct employees. Please refer to BNY Mellon International Asset Management Group Limited Directors' report for further information.

Streamlined Energy and Carbon Reporting ("SECR")

In accordance with the Companies Regulations 2018, the Company is in scope as a large unquoted entity and therefore required to report its energy use and associated greenhouse gas ('GHG') emissions resulting from energy use and employees' business travel.

However, the Company qualifies as a low energy user as defined by the regulation and accordingly has no requirement to make the detailed disclosures for its energy and carbon information.

Directors

The Directors who held office during the period and at date of approval of the financial statements are as follows:

- Eric Anstee (independent non-executive)
- Anne Grim (independent non-executive)
- Sir Brian Ivory (independent non-executive)
- Greg Brisk (non-executive)
- Hanneke Smits (non-executive) – appointed 19 November 2020
- Jon Eilbeck - appointed on 20 May 2020
- Andrew Kitchen - appointed 17 February 2021
- Jonathan Eliot
- Andrew Giles
- Adrian Grey
- Abdallah Nauphal
- Angus Woolhouse
- Mitchell Harris - resigned on 1 October 2020
- Atul Manek - resigned on 17 February 2021

International financial reporting standards

These accounts are prepared in accordance with applicable United Kingdom law and International Financial Reporting Standards (IFRSs) and its interpretations as endorsed by the UK 2006 Companies Act effective at 31 December 2020.

By order of the Board



Andrew Kitchen
Director

Registered Office:
160 Queen Victoria Street
London
EC4V 4LA

26 March 2021

Strategic report

The Directors present their strategic report for the year ended 31 December 2020.

Business update

The Company continued year over year growth in assets under management against a backdrop of challenging market conditions. This growth was predominantly within the Financial Solutions and Fixed Income product ranges. We maintain close partnerships with our clients to devise tailored and effective solutions for their investment needs.

We continue working with the Group's distribution channels in selling our products to new markets. We have enhanced our investment management capability and presence through the launch of new strategies and new hires.

The operating model with our shareholder preserves Insight's autonomy and ensures that the business can continue to focus on its principal investment and client service activities.

Strategy and targets

Since launch, our aim has been to create a resilient business model which is focused on our clients' needs and is well-positioned for all market conditions. We have ambitious targets for future growth and seek to retain and grow our client base by evolving our investment capabilities to meet our clients' needs and to offer them tailored solutions, as well as through new distribution channels and geographies. Having worked hard to establish our investment pedigree in the UK and building a recognisable brand, we continue to grow our global presence: notably in Europe and the USA and Australia.

The key aspects of our strategy are described below:

Provide superior investment solutions and repeatable performance

Insight is a solutions provider. Putting clients' investment objectives at the forefront of our solutions enables us to deliver an investment solution that meets their needs. At the same time we have developed a range of pooled fund solutions across a broad range of asset classes and the entire risk/return spectrum, offering clients return performance benchmarks which are aligned with and benefit from the expertise of our core investment capability.

Maintain and enhance our reputation as a quality investment brand

Insight has established a pedigree for the provision of innovative investment solutions in the institutional and wholesale market and is considered a key player in its chosen areas of investment expertise. With consistently strong performance, quality service and superior investment solutions, we aim to be one of the leading investment brands in the market.

Insight's employees are pivotal to achieving our strategy and vision and our team-orientated approach has become synonymous with our investment brand. In order to maintain our competitive advantage, we will continue to improve and innovate, whilst also investing in infrastructure and the recruitment, retention and training of quality professionals. To enable the retention of our staff, we operate long term incentive schemes, offering participants the opportunity to benefit directly from the growth of the business and to ensure that our remuneration strategy remains competitive and compliant with responsible remuneration directives advocated by the regulatory authorities.

Increase profitability, revenues and shareholder value

Insight has successfully grown its assets under management ("AUM") to £648.3 billion as at 31 December 2020 (2019: £560.5 billion).

Asset growth continues to be driven by a mix of markets and key client wins in the area of liability driven investment as well as through the sale of fixed income asset strategies.

Financial performance and highlights

At a high level the 2020 financial performance for this entity, together with the comparison for 2019, is as follows:

Financials	2020	2019
Profit before tax	£99.8 million	£98.0 million
Total assets under management (AUM)	£648.3 billion	£560.5 billion

Profit before tax has risen through revenues earned predominantly from fund flows into existing and new business lines.

Capital management

The Company's capital is managed via the Board through the Shareholder's Funds Policy and the annual Business Planning process. The day to day management of the Company's capital is delegated to the Chief Financial Officer and the Head of Finance.

The primary purpose of the Shareholder's Funds Policy is to maintain liquidity and security of the Company's capital. Shareholder funds are to be invested in either short-term cash deposits (up to 90 days maturity) with approved banks or in the Insight Liquidity Funds plc, an AAAm rated institutional cash fund.

The principal forms of capital are included in the following balances on the statement of financial position: called up issued capital, share premium account and retained earnings. The Company held total capital of £236.6 million as at 31 December 2020 (2019: £294.5 million).

The FCA supervises the Company on an individual basis. It complied with the FCA's capital adequacy requirements throughout 2020 and 2019.

Insight has an Internal Capital Requirement Process ("ICR"), which identifies inherent risks within the business and the probability of these arising; assessing the capital required to manage the financial impact if these risks were to materialise; determining how much capital should be held going forward through stress testing and scenario analysis. At the statement of financial position date, Insight as a group had a significant surplus on this internal capital requirement.

The above description of the Company's capital management policy forms an integral part of the financial statements.

Corporate governance

Governance of the Company is carried out through the Board of Directors. The Board has legal and regulatory responsibility for all aspects of the business and ancillary activities of the various legal entities within the Insight group. A number of committees support the Board, including:

- The Executive Management Committee (EMC) is the key business management committee for the Company and its subsidiaries responsible for designing and executing strategy, operational management and monitoring the effectiveness of internal controls.
- The Risk Committee oversees the management of risks within the Company and manages the production of statutory and regulatory financial information. Membership consists of two Non-Executive Directors and two Independent Non-Executive Directors and the Chief Risk Officer of the Company also attends all meetings. The Risk Committee receives reports on the overall business environment and key business trends and the processes and procedures for the identification, evaluation and management of the risks facing the business.
- The Remuneration Committee considers recommendations and where appropriate recommends to the relevant employing entity, items in relation to terms, conditions, remuneration and incentives for Insight staff. The Remuneration Committee aims to ensure that recommendations are consistent with regulatory requirements. The Remuneration Committee comprises of two non-executive Directors, representing the BNY Mellon Group, and one independent non-executive Director.

Section 172 Statement

Under section 414 of the UK 2006 Companies Act (the "Act"), the Company is required to include a section 172 statement, describing how the directors have had regard to the matters set out in section 172 of the Act when performing their duties during the period in question. In addressing these matters, the Board would like to expand on the following:

Insight's mission is to bring to investors an alternative approach to solving their investment problems, one that aims to improve their experience and increase their confidence in achieving their objectives. Our method emphasises the certainty of achieving investment outcomes, in contrast to the traditional focus on maximising return and minimising volatility on a pool of assets. Managing assets directly to clients' desired outcome also allows us to increase the probability of success, relative to what can be achieved, by investing in generic products (that benefit the manager rather than the investor).

We are committed to prioritising our clients' interests above all else in the conduct of our business and to delivering high quality investment solutions and service. Our business model rests on a simple equation: high quality leads to client advocacy which translates into business success. We, therefore, focus our efforts on delivering quality and are always prepared to forego business opportunities that conflict or weaken our ability to do so.

Focusing only on what we are good at rather than being everything for everyone is a key requirement for achieving that, so is working in partnership with our clients and their advisors. This allows us to better understand their needs and provide them with the tools and professional education they need for their investment journey. We also pledge to engage with relevant official and regulatory bodies to represent their interest and help find solutions that balance their benefits with those of society at large.

Aligning all stakeholders' interests is essential for the long-term success of any organisation. We align the interests of our clients and shareholders by taking a long-term view of the success of the business, allowing us to focus our energies on delivering to our clients. A significant portion of our staff's compensation is deferred and held in a long term incentive share plan scheme. By giving our employees an economic stake in the business we help align their interest with those of the other stakeholders.

None of this would be possible without the ability to attract and motivate the right employees. We do not believe that any gender, race, or group of any kind has a monopoly on the talent that we need to succeed.

We also believe that diverse groups make more informed and balanced decisions. We are therefore committed to looking for talent everywhere and ensuring that every individual has the opportunity and support to succeed at Insight.

We strive to create an ego free and collaborative environment where everyone is held accountable, but success is shared collectively. An environment where employees can speak up to share their views or challenge the views of others. We encourage continuous improvement at the individual level as well as the business level and make it a point to learn from our mistakes. Much of this boils down to putting the principle of "doing the right thing" at the heart of all our decisions.

The examples provided below show positive outcomes following consideration by the Board of matters set out in section 172 of the Act during 2020.

Business Relationships

The investment consultancy Greenwich Associates undertakes research with UK institutional clients and Investment Consultants each year. In the 2020 edition of this research, Insight was named a winner of the 2020 Greenwich Quality Leaders for 'Overall UK Institutional Investment Management Service Quality', having achieved a high score based on positive citations from 100 UK institutional clients. This was the fourth year in a row that Insight featured as a leader in UK client service, having now won in 2020, 2019 and 2017 and being highly commended in 2018. Insight was also rated as the top LDI provider for the tenth year in a row and as the second highest provider of fixed income investments.

Insight also continues to be pro-active in representing client's interest with policymakers, regulators, trade associations and other industry forums. The European Commission, the UK Treasury and the BoE were just some of the bodies Insight has engaged with during the period in question. Throughout the year, Insight was also very active in helping clients understand the impact of the changes to RPI proposed by the government.

Employees

Throughout 2020, there were multiple initiatives to push for greater diversity, addressing education for culture, development, selection and leadership. In 2020 we piloted an external cross-sector mentoring scheme for senior female leaders, committed to the Women in Finance Charter, worked with our parent company BNY Mellon, to support the progression of women into senior roles in the financial services sector and ran a 'Women at Insight' programme which supports the development and advancement of female talent across the firm.

We have also conducted a series of workshops with a number of minority groups to better understand the challenges they face and help them to overcome them. This has culminated in the creation of a Diversity and Inclusion committee that will report to the EMC.

Impact on the Community and Environment

The activities of Insight's ESG working groups and CSR Group were embedded into the business as usual practices with participation of employees from across the business. A new ESG steering Group Chaired by the CEO was created to coordinate the activities of these various streams and set policy.

Insight also continues to support its chosen charity partner, the Make-A-Wish Foundation, by way of maintaining a global relationship, with each of Insight's offices supporting a local chapter. In addition to this, during the COVID-19 pandemic, Insight opted to show its support for the NHS by making a donation to Insight's UK event catering partner which provides meals for key workers in the NHS. A similar initiative was also executed in the US, also in support of frontline workers.

Separately, Insight's parent company, BNY Mellon earned a position on the Climate Change 'A List' by CPD for the eighth year in a row in recognition of its efforts to cutting emissions, mitigating climate risks and developing the low carbon economy, all of which Insight is adopting.

Shareholder Relationship

Insight's Board of Directors includes representatives from its corporate shareholder BNY Mellon. Insight maintains an open relationship with BNY Mellon where ideas and strategic objectives are exchanged and shared, ensuring that the Board members remain aligned with the strategic objectives and corporate values of its shareholder whenever appropriate. The Insight board is fully committed to ensuring that due regard is paid to the interests of Insight's stakeholders as part of its objective for sustainable success.

Regulatory/Trade bodies

Due to the breadth of the business as well as Insight's position in the market in which it operates, the Company recognises the importance of keeping up to date with industry regulations and best practices. To this end, the Company maintains regular interaction with key regulatory bodies such as the FCA. Insight strives to maintain a flexible and open relationship with these and other regulatory bodies that have an interest in the Company's operations.

During the period, Insight has engaged with the FCA on a number of topics including Covid 19 impacts, cessation of LIBOR, SM&CR, Operational & Financial Resilience, Outsourcing, Impersonation Fraud, market liquidity, market abuse controls and Brexit preparations. Each meeting with the FCA provides the Company with an opportunity to express how it is tackling various issues and also gain some further insight into FCA expectations.

Insight continued to take a leading role in increasing awareness around UK government proposals to reform the Retail Price Index (RPI) methodology. If the proposed changes were to go ahead, future returns for RPI-linked assets and pension benefits would decline, disadvantaging many pension scheme members, and with the potential for a significant impact on the funding position of pension schemes that have CPI-linked benefits and have hedged those using index-linked gilts. We engaged with clients and the broader press to ensure that a wide range of stakeholders understood the proposed changes and were able share their views within the consultation. In November 2020, despite substantial concerns being raised during the 2020 consultation by a broad range of market participants, the government announced that it will go ahead with the planned reforms, which are expected to reduce the future change in RPI from 2030 onwards. With 10 years until the decision is implemented Insight will continue to monitor this issue closely.

Another major development in 2020 for UK pension schemes was the announcement by The Pensions Regulator ("TPR") of the first of two consultations on a revised code of practice to help trustees and employers comply with regulations on defined benefit pension scheme funding. The consultation set out the proposed regulatory approach, the key underlying principles, and how they might apply in practice. Insight submitted a lengthy response to the consultation, which would have significant implications for pension schemes' investment strategy. TPR has since announced it expects to issue the second consultation in the latter half of 2021.

Insight engages in these activities as a result of its commitment to responsible investment. This means that alongside engaging on broader issues as we take a proactive role in ensuring the long-term sustainability and resilience of markets, we aim to take all relevant and material risks into account on behalf of our clients, including environmental, social and governance ("ESG") risks. We have developed proprietary models, including corporate and sovereign ESG risk models and a climate risk model, to support our analysts and portfolio managers in their research and investment decisions. Insight was a founding signatory to the Principles for Responsible Investment ("PRI") in 2006, and in 2020, we were awarded A+ ratings by the PRI for strategy and governance, and for the integration of responsible investment-related issues across our fixed income business (corporate bond, sovereign bond, and securitised asset portfolios).

Impact of Coronavirus ("COVID-19")

Since the start of January 2020, COVID-19 has created significant disruption to global markets and economies. Management recognises that the pandemic presents risks to the Company's employees, clients and suppliers, and has put in place procedures to monitor and mitigate those risks.

Management is committed to ensuring that the Company is able to continue to service its clients and wider stakeholders while prioritising the health and wellbeing of the people that support its business. Accordingly, substantially all of those people have been instructed to work from home with only a small number of essential in-office roles supported by social distancing protocols. The Company's existing IT infrastructure is supporting this way of working and the Company is fully operational, demonstrating its resiliency, commitment and capacity to support its clients.

The Company benefits from the wider BNY Mellon Group COVID-19 Response Program ("CRP"). With periodic strategic direction from BNY Mellon Group Executive Committee, the CRP reviews key data on the impact of the pandemic for work streams relating to people, clients, third-party service providers, the industry, government and the regulatory environment and appropriate actions are taken where issues are identified.

An assessment of the impact of the uncertainty on the Company's current financial position and operational resilience has been performed and management has concluded that the pandemic will not have a substantial impact on the Company's ability to continue as a going concern.

The Company continues to carefully monitor and mitigate the risk on an ongoing basis in order to minimise exposure.

Key risks and uncertainties

The main risks and uncertainties facing the business are as follows:

Personnel risk

Without the capability to attract, motivate and retain key staff, combined with instilling the right culture for the business to succeed, the Group will not be able to capitalise on its commercial advantages and the opportunities arising therefrom. This risk is mitigated by having a comprehensive performance management system, competitive remuneration including the operation of long term incentive schemes, reward benchmarking and a focus on training and development.

Strategic risk

This is principally the risk of the business declining due to external factors (for example a sustained fall in markets) or risks stemming from internal factors (for example sustained poor long term investment performance). We seek to manage these risks by being willing to adapt our products to meet changing market needs and controlling costs effectively. We regularly review investment performance and encourage a culture of open debate on investment strategy and change through our executive committee and our business management forum. We also consider the risks from the wider macro environment to take account of external risks such as Brexit or US tax reform.

Financial and liquidity risk

Further details on how the Company manages the financial and liquidity risks that it faces are disclosed in the Financial instruments note to the financial statements.

Other macro-environmental risks (including coronavirus)

Other macro environmental risks include global hazards and health risks to which employees and the Company's other stakeholders are exposed to on a periodic basis. These include health outbreaks such as Coronavirus disease ("COVID-19"), hazards such as fire outbreaks and weather related events such as storms and floods. These risks have challenging impacts on the Company's operations including employees' health and safety, restrictions on travel and mobility, global markets performance among others. The risks are carefully monitored and mitigated on an ongoing basis to minimise exposure

Financial statement consideration

Particular focus has been on the Company's key areas of significant judgment and estimation uncertainty.

- Management has reviewed the Company's investments in associates and subsidiaries for potential indicators of impairment, considering the estimated impacts of market conditions on those investments and concluded that no trigger for impairment testing exists as at 31 December 2020.
- There was no material change in management fee revenue of the Group.
- No provisions in scope of IAS 37 *Provisions, Contingent Liabilities and Contingent Assets* have been identified as a result of management's actions specifically in response to the pandemic.
- The Company continues to closely monitor the impact of market volatility on its balance sheet. The Company currently has sufficient liquidity in excess of its regulatory requirement to absorb any short term needs.

Operational resilience

Management has through its enhanced monitoring and oversight controls assessed the impact of COVID-19 on the Company's existing operational processes and its potential impact on its key stakeholders.

- *People:* The Company remains focused on the health and wellbeing of its employees. To achieve this objective, the majority of people supporting the Company's operations including offshore workforce are working from home supported by enhancements to existing technology and IT infrastructure. Both the onshore and offshore workforce remain operational, supported by the actions taken by management to minimise the operational risks associated with the current uncertainty.
- *Clients:* The Company has stayed fully operational, demonstrating its commitment to, and capacity for supporting its clients.
- *Suppliers:* No significant issues have been noted to date.
- *Technology and infrastructure:* The Company's key information technology systems and infrastructure, including those outsourced, continue to operate as normal.

Going concern

The directors have had regard to management's assessment in determining whether there are material uncertainties arising due to the pandemic that could cast significant doubt on the ability of the Company to continue as a going concern and have concluded that no such uncertainties exist. In reaching this conclusion, management has considered a number of factors which have been disclosed under note 1b).

The Company continues to carefully monitor and mitigate the risks on an ongoing basis in order to minimise exposure while maintaining a robust balance sheet and sufficient headroom above regulatory capital requirements and internally-set risk appetite.

Brexit

The UK formally left the European Union ("EU") on 31 January 2020 and ceased to be an EU member state on that date. The departure was subject to a transition period which ended on 31 December 2020. On 24 December 2020, the UK and EU reached a "Trade and Cooperation Agreement" which offered some major free-trade benefits, but also represented an end to most aspects of the free market access that the UK previously enjoyed as an EU member state. The new rules apply from 1 January 2021.

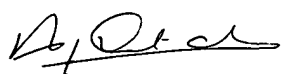
The UK's withdrawal from the European Union ("Brexit") did not result in a major negative impact for the Insight Group. Certain clients were novated to our European entity – Insight Investment Management (Europe) Limited ("IIMEL"), starting 1 January 2021. The impact on Insight's existing business is expected to be minimal and new clients in certain jurisdictions are expected to contract directly with IIMEL in the future.

The Company continues to monitor other risks which may arise as a result of post-Brexit changes to the UK legal and regulatory framework in which it operates. It could also be impacted by changing economic factors including changes in interest rates and foreign exchange rates.

With a robust balance sheet and significant headroom above regulatory capital requirements, the Directors believe that there is no material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern due to Brexit.

Dividend declaration

During 2020 a dividend was declared and paid to Insight Investment Management Limited of £140,000,000. No further dividends are proposed.



Andrew Kitchen
Director

Registered Office:
160 Queen Victoria Street
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EC4V 4LA

26 March 2021

Statement of Directors' responsibilities

In respect of the strategic report and the Directors' report and the financial statements

The directors are responsible for preparing the Strategic Report, the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006 and applicable law.

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

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable, relevant and reliable;
- state whether they have been prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations or have no realistic alternative but to do so.

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

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Independent auditor's report to the members of Insight Investment Management (Global) Limited

Opinion

We have audited the financial statements of Insight Investment Fund Management Limited ("the company") for the year ended 31 December 2020 which comprise the statement of profit or loss and other comprehensive income, statement of financial position, statement of changes in equity, statement of cash flows and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2020 and of its profit for the year then ended;
- have been properly prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Going concern

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

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

Our conclusions based on this work:

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

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

Fraud and breaches of laws and regulations – ability to detect

Identifying and responding to risks of material misstatement due to fraud

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

- Enquiring of directors and inspection of policy documentation as to the Company's high-level policies and procedures to prevent and detect fraud, including the internal audit function, and the Company's channel for "whistleblowing", as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Reading Board minutes.

- Considering remuneration incentive schemes and performance targets for directors and management.

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

As required by auditing standards, and taking into account our overall knowledge of the control environment, we perform procedures to address the risk of management override of controls and the risk of fraudulent revenue recognition, in particular the risk that performance fee revenue is calculated incorrectly or recorded in the incorrect period, and the risk that management may be in a position to make inappropriate accounting entries. On this audit we do not believe there is a fraud risk related to the recognition of all other revenue streams because the calculations of the remaining material revenue streams are non-judgmental and straightforward, with limited opportunity for manipulation.

We did not identify any additional fraud risks.

We performed procedures including:

- Assessing the design, implementation and operating effectiveness of the anti-fraud controls in the performance fee process.
- On a sample basis, independently revaluing assets included in the calculation of the benchmark return.
- Recalculating a sample of performance fee revenue over the full year based on investment management agreement and performance information received.
- Reviewing invoices raised pre and post year end for allocation to the correct period.
- Identifying journal entries to test based on risk criteria and comparing the identified entries to supporting documentation. These included those posted by senior finance management and those posted to unusual account combinations.

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

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

As the Company is regulated, our assessment of risks involved gaining an understanding of the control environment including the entity's procedures for complying with regulatory requirements.

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

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

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

Secondly, the Company is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation or the loss of the Company's authority to operate. We identified the following areas as those most likely to have such an effect: anti-bribery, anti-money laundering, market abuse regulations and financial services regulations including Client Assets, and

specific areas of regulatory capital and liquidity and certain aspects of company legislation, recognising the financial and regulated nature of the Company's activities and its legal form. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and other management and inspection of regulatory and legal correspondence, if any. Therefore, if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

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

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

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

Strategic report and directors' report

The directors are responsible for the strategic report and the directors' report. Our opinion on the financial statements does not cover those reports and we do not express an audit opinion thereon.

Our responsibility is to read the strategic report and the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

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

Matters on which we are required to report by exception

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

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

We have nothing to report in these respects.

Directors' responsibilities

As explained more fully in their statement set out on page 14, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

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

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

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

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

Fang Fang Zhou (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor

Chartered Accountants

15 Canada Square

London

E15 2LE

26 March 2021

Statement of profit or loss and other comprehensive income

For the year ended 31 December 2020

	Note	2020 £'000	2019 £'000
Revenue	2	287,644	274,434
Commission expenses	3	(4,323)	(3,816)
Gross profit		283,321	270,618
Administrative expenses		(185,810)	(175,161)
Operating profit		97,511	95,457
Interest receivable and similar income	4	2,309	2,931
Interest payable and similar charges	4	(1)	(344)
		2,308	2,587
Profit before taxation		99,820	98,044
Taxation on profit	7	(17,694)	(18,022)
Total comprehensive income for the year		82,126	80,022

There are no items of other comprehensive income during the year therefore no statement of other comprehensive income has been presented.

All amounts in the statement of profit or loss and other comprehensive income are in respect of continuing operations.

The notes on pages 23 to 47 form part of these financial statements.

Statement of financial position

As at 31 December 2020

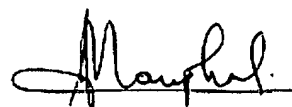
	Note	2020 £'000	2019 £'000
Assets			
Other investments	9	95,228	50,058
Trade and other receivables	10	106,525	193,914
Cash and cash equivalents	11	63,385	70,820
Current assets		265,138	314,792
Total assets		265,138	314,792
Equity			
Issued capital	12	46,350	46,350
Share premium	12	1	1
Retained earnings	12	190,256	248,129
Total equity		236,607	294,480
Liabilities			
Trade and other payables	13	28,531	20,312
Total current liabilities		28,531	20,312
Total equity and liabilities		265,138	314,792

The notes on pages 23 to 47 form part of these financial statements.

These financial statements were approved by the Board of Directors on 26 March 2021 and were signed on its behalf by:



Andrew Kitchen
Director



Abdallah Nauphal
Director

Company registration number: 827982

Statement of changes in equity

For the year ended 31 December 2020

		Share capital	Share premium	Retained earnings	Total
	Note	£'000	£'000	£'000	£'000
Balance at 31 December 2018		46,350	1	273,107	319,458
Total comprehensive income for the year					
Profit after tax		-	-	80,022	80,022
Total comprehensive income for the year		-	-	80,022	80,022
Dividends paid	8	-	-	(105,000)	(105,000)
Balance at 31 December 2019		46,350	1	248,129	294,480
Total comprehensive income for the year					
Profit after tax		-	-	82,126	82,126
Total comprehensive income for the year		-	-	82,126	82,126
Dividends paid	8	-	-	(140,000)	(140,000)
Total contributions by and distributions to owners of the Company		-	-	(140,000)	(140,000)
Balance at 31 December 2020		46,350	1	190,256	236,607

The notes on pages 23 to 47 form part of these financial statements

Statement of cash flows

For the year ended 31 December 2020

	Note	2020 £'000	2019 £'000
Cash flows from operating activities			
Profit for the year		82,126	80,022
Adjustments for:			
Tax charge	7	17,694	18,022
Decrease/(Increase) in trade and other receivables	10	87,389	15,445
Increase/(Decrease) in trade and other payables	13	19,197	2,393
Cash generated from operations		204,096	112,951
Taxes paid		(28,671)	(18,640)
Net cash from operating activities		177,735	94,311
Cash flows from investing activities			
Disposal/(Purchase) of other current investments	9	(45,170)	49,330
Net cash from investing activities		(45,170)	52,261
Cash flows from financing activities			
Dividends paid	8	(140,000)	(105,000)
Net cash from financing activities		(140,000)	(105,000)
Net decrease in cash and cash equivalents		(7,435)	41,572
Cash and cash equivalents at 1 January	11	70,820	29,248
Cash and cash equivalents at 31 December	11	63,385	70,820

The notes on pages 23 to 47 form part of these financial statements.

Notes to the financial statements

1. Significant accounting policies

Insight Investment Management (Global) Limited (the "Company") is a company domiciled in the United Kingdom. The financial statements were authorised for issue by the Directors on 26 March 2021. The Company and its subsidiaries operate as a single asset management business and consider themselves a single segment investment management business.

a) Statement of compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRSs") and its interpretations as endorsed by the Companies Act 2006 and effective at 31 December 2020.

The accounting policies set out below have been applied in respect of the financial year ended 31 December 2020.

b) Basis of preparation

The Company's business activities, together with the factors likely to affect its future development, performance and position are set out in the Strategic report on pages 6 to 13. In addition, the Directors' report on pages 3 to 5 includes the Company's objectives, policies and processes for managing its capital, its financial risk management objective and its exposures to credit and liquidity risk.

The Company has adequate liquidity and capital. The directors perform an annual going concern review that considers, under a stress test scenario, the Company's ability to meet its financial obligations as they fall due, for a period of at least twelve months after the date that the financial statements are signed. As a consequence, the directors believe that the Company can manage its business risks successfully.

Management has performed an assessment to determine whether there are any material uncertainties arising that could cast significant doubt on the ability of the Company to continue as a going concern. No significant issues have been noted. In reaching this conclusion, management considered: "The financial impact of the uncertainty on the Company's balance sheet and capital position:

- Liquidity position based on current and projected cash resources and regulatory requirements. The Company's current cash/liquidity position is able to sustain its current operational costs for at least a year even with a significantly reduced revenue scenario;
- Capital and liquidity stress tests on severe but plausible scenarios. This incorporates a reduced level of management and performance related fees charged on assets under management and maintaining these reduced levels for at least a year with the expectation that the volume of assets under management could fall due to COVID-19 and;
- The Company's operational resilience including the impact of the pandemic on existing processes and key resources and relationships such as its people, clients, suppliers, and existing information technology systems and infrastructure.

Based on the above assessment of the Company's financial position, COVID-19 impact, liquidity and capital, the directors have concluded that the Company has adequate resources to continue in operational existence for the foreseeable future (for a period of at least twelve months after the date that the financial statements are signed). Accordingly, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

The financial statements are presented in Sterling, rounded to the nearest thousand. They are prepared on the historical cost basis except for financial assets which are stated at their fair value through profit and loss.

c) Use of estimates and judgements

In preparing the financial statements, management is required to make estimates and assumptions that affect reported income, expenses, assets, liabilities and disclosure of contingent assets/liabilities. Actual results in future periods could differ for such estimates. Estimates and assumptions are mainly used in the following areas of the financial statements and are disclosed in the corresponding notes:

- Determining fair values of financial instruments;

Fair value of financial instruments is determined by reference to publicly available pricing for the financial instruments.

d) Foreign currency

Transactions in foreign currencies are translated at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the statement of financial position date are translated to Sterling at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in the statement of profit or loss and other comprehensive income. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

e) Offsetting

Financial assets and liabilities are offset, and the net amount presented in the balance sheet when, and only when, the Company has a legal right to set off the recognised amounts and it intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Income and expenses are presented on a net basis only when permitted under IFRS, or for gains and losses arising from a group of similar transactions such as in the Company's trading activity.

f) Other investments

Financial assets at fair value through profit and loss

Financial assets at fair value through profit and loss are recognised initially on the trade date at which the Company becomes a party to the contractual provisions of the instrument. The Company derecognises financial assets at fair value through profit and loss when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Company is recognised as a separate asset or liability.

Financial assets are designated as fair value through profit and loss with gains and losses taken to the statement of profit or loss and other comprehensive income as they arise. Fair value is determined by reference to quoted market prices on the statement of financial position date.

g) Trade and other receivables

Trade receivables and other receivables are initially measured at fair value and can be subsequently measured at amortised costs using the effective interest rate method if considered material.

h) Cash and cash equivalents

Cash and cash equivalents comprise solely of cash balances. Bank overdrafts that are repayable on demand and form an integral part of the Company's cash management are included as a component of cash and cash equivalents for the purpose of the statement of cash flows.

i) Dividends

Dividend income is recognised in the Statement of profit and loss and other comprehensive income on the date the entity's right to receive payments is established.

Dividends are recognised as a liability at the date that they are declared, to the extent that they are declared prior to the year end. Unpaid dividends that do not meet these criteria are disclosed in the notes to the financial statements

j) Provisions

A provision is recognised in the statement of financial position when the Company has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

k) Trade and other payables

Trade and other payables are initially measured at fair value and can be subsequently measured at amortised costs using the effective interest rate method if considered material.

l) Financial instruments

Financial instruments cover a wide range of financial assets, including financial investments, trade receivables and cash and cash equivalents and financial liabilities, trade payables, and borrowings. Financial assets and financial liabilities are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument. The company derecognises a financial asset when the contractual rights to receive cash flows have expired or been forfeited by the company. A financial liability is derecognised when, and only when the liability is extinguished.

Initial measurement

A financial asset (unless it is a trade receivable without a significant financing component that is initially measured at the transaction price) is initially measured at fair value plus, for an item not at fair value through the profit or loss ("FVTPL"), transaction costs that are directly attributable to its acquisition.

Subsequent measurement

Under IFRS 9, for the purpose of subsequent measurement, a financial asset is classified, on initial recognition, as measured at: amortised cost; fair value through other comprehensive income ("FVOCI") debt instrument; FVOCI-equity investment; or FVTPL. The classification of financial assets depends on (i) the purpose for which they were acquired, (ii) the business model in which a financial asset is managed, and (iii) its contractual cash flow characteristics. This classification determines the subsequent measurement basis. The following accounting policies apply to the subsequent measurement of financial assets.

Measurement basis	Accounting policies
Financial assets at FVTPL	These financial assets are subsequently measured at fair value. Net gains and losses, including interest and dividend income, are recognised in profit or loss.
Amortised cost	These financial assets are subsequently measured at amortised cost using the effective interest rate method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on de-recognition is recognised in profit or loss.

Debt investments at FVOCI	These financial assets are subsequently measured at fair value. Interest income is calculated using the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in Other Comprehensive Income (OCI.) On de-recognition, gains and losses accumulated in OCI are reclassified to profit or loss.
Equity investments at FVOCI	These financial assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are never reclassified to profit or loss.

Non-derivative financial assets classification and measurement

Non-derivative financial instruments comprise investments in securities, trade and other debtors, cash and cash equivalents, loans and borrowings and trade and other creditors.

Financial assets are measured at amortised cost if meeting both of the following conditions and are not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specific dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Company generally does not hold assets for trading.

Assessment of whether cash flows are solely payments of principal and interest

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains contractual terms that would change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Company considers the following:

- contingent events that would change the amount or timing of cash flows;
- leverage features;
- prepayment and extension terms;
- terms that limit the Company's claim to cash flows from specified assets; and
- features that modify consideration for the time value of money – e.g. periodic reset of interest rates.

Impairment of financial assets (including trade and other debtors)

The economic useful life impairment model applies to financial assets measured at amortised cost, contract assets and debt investments at FVOCI, but not to investments in equity instruments.

Measurement of Expected Credit losses (ECL)

ECLs are a probability weighted estimate of credit losses and are measured as follows:

- Financial assets that are not credit impaired at the reporting date: the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Company expects to receive);
- Financial assets that are credit impaired at the reporting date – the difference between the gross carrying amount and the present value of estimated future cash flows; and
- Financial guarantee contracts – the expected payments to reimburse the holder less any amounts that the Company expects to recover.

m) Revenue

Revenue is based on terms specified in a contract with a customer, and excludes any amounts collected on behalf of third parties. Revenue is recognised when, or as, a performance obligation, as defined by IFRS 15, is satisfied by transferring control of a good or service to a customer.

A performance obligation may be satisfied over time or at a point in time. Revenue from a performance obligation satisfied over time is recognised by measuring the Company's progress in satisfying the performance obligation in a manner that reflects the transfer of goods and services to the customer. Revenue from a performance obligation satisfied at a point in time is recognised at the point in time the customer obtains control of the promised good or service.

The amount of revenue recognised reflects the consideration the Company expects to be entitled to in exchange for the promised goods and services. Taxes assessed by a governmental authority that are both imposed on, and concurrent with, a specific revenue producing transaction, are collected from a customer and are excluded from revenue.

Nature of Services and Revenue Recognition

Investment management fees are dependent on the overall level and mix of Assets Under Management ("AUM"). The management fees, expressed in basis points, are charged for managing those assets. Management fees are typically subject to fee schedules based on the overall level of assets managed and products in which those assets are invested.

Investment management fee revenue also includes transactional and account based fees. These fees along with distribution and servicing fees are recognised when the services have been complete. Clients are generally Institutional investors. The revenue is recognised monthly in arrears for services performed. They are generally billed on a monthly or quarterly basis in arrears.

Performance fees are generally calculated as a percentage of the applicable portfolio's performance in excess of a benchmark index or a peer group's performance. Performance fees are only recognised on crystallization date when the quantum of the fee is known and it is highly probable that a significant revenue reversal will not occur. No other performance fee revenue is recognised during the financial year as it is possible that a significant revenue reversal could subsequently occur.

Disaggregation of Contract Revenue

Contract revenue is included in fee revenue on the Statement of profit and loss. Revenue within the scope of the IFRS 15 standard is reported in the revenue line. Certain fee and other revenue is covered under accounting guidance other than IFRS 15, primarily foreign exchange and other trading revenue, investment and other income.

Contract Balances

The Company's customers are billed based on fee schedules that are agreed upon in each customer contract.

Contract assets represent accrued revenues that have not yet been billed to the customers due to contingent factors other than the passage of time. Contract assets are usually billed on a monthly or quarterly basis in arrears. There were no impairments recorded on contract assets in 2020.

Both receivables from customers and contract assets are included in trade and other receivables on the balance sheet.

Changes in contract assets and liabilities primarily relate to either party's performance under the contracts.

Any changes in the balances of contract assets and contract liabilities would result in changes arising from business combinations, impairment of a contract asset and changes in the timeframe for a right to consideration becoming unconditional or a performance obligation to be satisfied. No such instances were noted.

Unsatisfied Performance Obligations

In relation to the revenue the Company has recognised, there are no performance obligations outstanding as at year ended 31 December 2020.

n) Administrative expenses

Certain expenses relating to the Company are incurred and paid by Insight Investment Services Limited and Insight Investment Management Limited. These expenses are re-charged to the Company at cost and recognised in the Company's accounts on an accrual basis. The recharge is predominantly calculated on a pro-rata basis derived from income in the entities within the Insight Group Companies (Insight Investment Funds Management Limited, Insight Investment Management Limited, Insight Investment Management (Global) Limited, Insight Investment International Limited and Insight Investment Services Limited).

o) Tax

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the statement of profit or loss and other comprehensive income except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Deferred tax is provided using the statement of financial position liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided: goodwill not deductible for tax purposes, the initial recognition of assets and liabilities that affects neither accounting nor taxable profit nor differences relating to investments in subsidiaries which are deemed as capital items for tax purposes and therefore will be subject to that regime. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, and is calculated using the enacted future tax rate at the date of the financial statement.

p) Interest receivable and similar income/Interest payable and similar charges

Interest receivable and similar income comprises income on funds invested, dividend income and changes in the fair value of financial assets at fair value through profit or loss. Interest income is recognised as it accrues in profit or loss, using the effective interest method.

Interest payable and similar charges comprise of interest expense on financial liabilities measured at amortised cost.

Foreign currency gains and losses are reported on a net basis.

The Company recognises dividend income when the Company's right to receive payment is established.

q) Changes in accounting policy and disclosures

New standards, interpretations and amendments effective from 1 January 2020

There were no new standards, interpretations and amendments effective from 1 January 2020 that were expected to have material impact on Company.

2. Revenue

	2020	2019
	£'000	£'000
Investment Management Fees	268,449	255,061
Performance Fees	19,195	19,343
Other	-	30
	287,644	274,434

The period on period movement in performance fees does not necessarily correlate to the performance of the underlying portfolios. Clients may have a mix of investment management and performance fees and the balance between these fee types can change throughout the financial year or across financial years.

3. Commission expenses

	2020	2019
	£'000	£'000
Commission payable and other trading expenses	4,323	3,816
	4,323	3,816

4. Interest receivable and similar income/Interest payable and similar charges

	2020	2019
	£'000	£'000
Interest income on other financial assets	1,864	2,931
Foreign exchange gain	445	-
Interest receivable and similar income	2,309	2,931
Interest expense on other financial assets	(1)	-
Foreign exchange loss	-	(344)
Interest payable and similar charges	(1)	(344)
	2,308	2,587

5. Auditor's remuneration

	2020	2019
	£'000	£'000
Auditor's remuneration for:		
Audit services	100	91
Audit related assurance fees	3	15

6. Remuneration of directors

	2020	2019
	£'000	£'000
Aggregate directors' remuneration:		
Directors' emoluments	4,964	5,122
Long term incentive schemes	2,843	2,998
Pension contributions	3	118
	7,810	8,238
Highest paid director		
Directors' emoluments	1,669	1,849
Long term incentive schemes	1,172	1,188
Pension contributions	3	14
	2,844	3,051

The aggregate amount of remuneration paid to or receivable by directors in respect of qualifying services is disclosed above. Qualifying services include services as a director of the company, as a director of any of its subsidiary undertakings or otherwise in connection with the management of the affairs of the Company. The amounts are disclosed irrespective of which BNY Mellon group company actually makes the payment to the directors. During 2020, retirement benefits were accrued for 3 (2019: 7) directors.

7. Taxation on profit

	2020	2019
	£'000	£'000
Analysis of the charge for the period		
Taxation is based on profit before tax for the year and comprises:		
Current tax charge for the year	17,674	18,628
Adjustments in respect of prior periods	20	(606)
Total current tax	17,694	18,022
Reconciliation of effective tax rate		
Profit on ordinary activities before tax	99,820	98,044
Tax charge on profit on ordinary activities at standard rate of 19% (2019: 19%)	18,966	18,628
Non-deductible expenses	1	-
Effects of overseas tax rates	(126)	-
Adjustments in respect of prior periods	20	(606)
Effects of group relief/ other reliefs	(1,167)	-
	17,694	18,022

Factors that may affect future and total tax charges

The UK Corporate Tax rate for 2020 of 19% (2019 : 19%) as per Finance Act 2020 received Royal Assent on 22 July 2020. In the 3 March 2021 Budget it was announced that the UK tax rate will increase to 25% from 1 April 2023. This will have a consequential effect on the company's future tax charge when the rate change will be substantively enacted.

8. Dividends

	2020	2019
	£'000	£'000
Ordinary dividends:		
Dividend paid: 302 pence per ordinary share (2019: 227 pence per ordinary share)	140,000	105,000
	140,000	105,000

For more information about the Company's capital management policy, please refer to the capital management policy section within the Strategic Report.

9. Other investments – current

	2020	2019
	£'000	£'000
Financial assets at fair value through profit and loss	95,228	50,058
	95,228	50,058

Other investments relate to holdings in the Insight Liquidity Funds plc ("ILF"). The ILF is an umbrella open ended investment company. The Company's investment is in the ILF Sterling Liquidity fund. The aim of the fund is to provide a flexible and stable alternative to bank deposits for institutional and professional investors. The fund carries an AAAM rating from Standard & Poors and has same day settlement terms.

10. Trade and other receivables

	2020	2019
	£'000	£'000
Trade receivables	24,668	44,030
Amounts receivable from related parties	9,887	59,275
Other receivables	-	343
Tax receivable	1,423	-
Accrued income	70,547	90,266
Total trade and other receivables	106,525	193,914

11. Cash and cash equivalents

	2020	2019
	£'000	£'000
Bank balances	63,385	70,820
Total cash and cash equivalents	63,385	70,820

12. Capital and reserves

	Equity: Ordinary shares of £1 each £'000	Total £'000
--	--	----------------

Allotted, called up and fully paid

At 1 January 2019	46,350	46,350
At 31 December 2019	46,350	46,350
At 1 January 2020	46,350	46,350
At 31 December 2020	46,350	46,350

Issued capital

Issued share capital of the company consists of 46,350,000 shares of £1 each.

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

For more information about the Company's capital management policy, please refer to the capital management policy section within the Strategic report.

12. Capital and reserves (continued)

	Share premium £'000	Retained earnings £'000	Other reserves £'000	Total £'000
Reconciliation of movement in capital and reserves				
Balance at 1 January 2019	1	273,107	-	273,108
Total profit	-	80,022	-	80,022
Dividends paid	-	(105,000)	-	(105,000)
Balance at 31 December 2019	1	248,129	-	248,130
Balance at 1 January 2020	1	248,129	-	248,130
Total profit	-	82,127	-	82,127
Dividends paid	-	(140,000)	-	(140,000)
Balance at 31 December 2020	1	190,256	-	190,257

13. Trade and other payables

	2020 £'000	2019 £'000
Amounts payable to related parties	23,074	279
Tax payable	-	10,977
Other payables	5,305	9,005
Accrued expense	152	51
	28,531	20,312

14. Related parties

	2020	2019
	£'000	£'000

At the end of the year, the Company had the following balances with related parties:

Debtors**BNY Mellon Group undertakings**

Insight Investment Funds Management Limited	108	85
Insight Investment Management Limited	-	25,144
Insight Investment Services Limited	79	31,035
Insight Investment Management Europe Limited	5,891	-
Other related parties	3,809	3,011
	9,887	59,275

Creditors**BNY Mellon Group undertakings**

Bank of New York Mellon - London Branch	-	211
Insight Investment Management Limited	22,345	-
Other related parties	729	68
	23,074	279

14. Related parties (continued)

	2020	2019
	£'000	£'000
BNY Mellon Group undertakings		
BNY Mellon International Management Limited	559	560
BNY Mellon Fund Managers Limited	3,057	3,943
BNY Mellon Asset Management Japan LTD	6,534	4,424
BNY Mellon Global Management Limited	-	1,723
Insight Investment Funds Management Limited	2,043	2,059
Insight Investment Management Europe Limited	6,264	-
BNY Mellon Fund Management (Luxembourg) S.A.	4,704	5,408
BNY Mellon Investment Management EMEA Limited	241	273
	23,400	18,391

Insight Investment Services Limited is a service company incurring expenses on behalf of the Insight group of companies. During the year the Company was recharged £124,752,000 (2019: £144,297,000) by Insight Investment Services Limited. In addition, the Company's immediate parent, Insight Investment Management Limited recharged overheads amounting to £51,497,000 (2019: £10,432,000).

During the year the Company was charged fees for the provision of distribution and other services by its affiliates as follows:

	2020	2019
	£'000	£'000
BNY Mellon Group undertakings		
BNY Mellon Investment Management Singapore Pte Limited	(191)	(197)
BNY Mellon Investment Management Hong Kong Limited	(158)	(73)
	(349)	(270)

Pooled funds

During the year the Company continued to act as delegated sub-advisor or investment advisor to 6 (2019: 6) closed ended investment vehicles and securitisation funds. Total net management fees of £5,100,000 (2019: £5,524,000) were earned and at the balance sheet date gross fees receivable from the funds amounted to £917,000 (2019: £2,893,000).

The funds were charged in accordance with the investment management agreements drawn up between the funds and the Company or if an investment advisor is appointed, the Company in its capacity as delegated sub-advisor appointed by the investment advisor.

14. Related parties (continued)

	2020	2019
	£'000	£'000
During the year, senior management personnel's remuneration was as follows:		
Short term employee benefits	6,157	6,273
Long term incentive schemes	3,386	3,618
Pension contributions	28	137
	9,571	10,028

The above includes the costs of annually awarded long term incentive grants amortised over the relevant vesting periods of one to three years.

15. Financial instruments

Exposure to credit, market risk (which combines foreign currency risk, interest rate risk and market price risk) and liquidity risk arises in the normal course of the Company's business.

Credit Risk

The credit risk to the Company is limited to the non-payment of investment management fees, amounts owed by BNY Mellon Group undertakings together with cash at banks and amounts invested in the Insight Liquidity Fund (ILF). At the statement of financial position date there were no significant concentrations of credit risk external to the group other than cash balances at Lloyds Bank Plc.

The credit risk policy for cash and cash equivalents is to maintain bank accounts with Lloyds Bank Plc and to invest surplus cash in the Insight Liquidity Funds plc. At the statement of financial position date the Standard and Poor's credit rating for Lloyds Bank Plc was A+.

The credit risk policy for trade and other receivables is to monitor the level of past due receivables on a regular basis. The policy does not require collateral in respect of financial assets because for the majority of client accounts, Insight has the right to deduct its management fees from the client's investment portfolio. The historical incidence of default has not been significant and in the majority of cases there is an ongoing relationship with the client.

The maximum exposure to credit risk at the statement of financial position date was as follows:

	31-Dec 2020	31-Dec 2019
	£'000	£'000
Trade and other receivables (note 10)	106,525	193,914
Cash and cash equivalents (note 11)	63,385	70,820
Other investments - current (note 9)	95,228	50,058
Total	265,138	314,792

The carrying amounts of financial assets represent the maximum credit exposure.

The ageing of trade and other receivables at the reporting date was as follows:

	31-Dec 2020	31-Dec 2019
	£'000	£'000
Neither past due nor impaired	81,849	149,839
Past due up to 1 month	4,083	5,239
Past due from 1 month to three months	19,202	34,344
Past due from three months to one year	1,391	4,492
More than 1 year past due	-	-
Total	106,525	193,914

15. Financial instruments (continued)**Foreign currency risk**

The Company's exposure to foreign currency risk was as follows based on notional amounts:

	Canadian Dollar	Yen	US Dollar	Euro	Australian Dollar
	£'000	£'000	£'000	£'000	£'000
At 31 December 2020					
Trade and other receivables	73	727	1,891	8,803	2,175
Cash and cash equivalents	5	1	353	1,070	145
Total	78	728	2,244	9,873	2,320
At 31 December 2019					
Trade and other receivables	82	1,434	1,381	8,466	3,444
Cash and cash equivalents	-	2	485	726	321
Total	82	1,436	1,866	9,192	3,765

This risk arises as a result of outstanding fees (either billed or unbilled) due for settlement and the operation of foreign currency bank accounts. The Company manages this risk through a proactive debtor management process and by sweeping surplus foreign currency cash balances into Sterling on a periodic basis.

Sensitivity analysis

A 10 percent strengthening of Sterling against the following currencies at 31 December 2020 would have increased / (decreased) equity and profit or loss by the amounts shown below.

This analysis assumes that all other variables, in particular interest rates, remain constant. The analysis is performed on the same basis for 2019.

	Impact on equity	Impact on profit or loss
	£'000	£'000
At 31 December 2020		
Canadian Dollar	(8)	(8)
Yen	(73)	(73)
US Dollar	(224)	(224)
Euro	(987)	(987)
Australian Dollar	(232)	(232)
At 31 December 2019		
Canadian Dollar	(8)	(8)
Yen	(144)	(144)
US Dollar	(187)	(187)
Euro	(919)	(919)
Australian Dollar	(377)	(377)

A 10 percent weakening of Sterling against the above currencies at 31 December 2020 would have had the equal but opposite effect on the above currencies to the amounts shown above, on the basis that all other variables remain constant.

15. Financial Instruments (continued)**Foreign currency risk**

The Company's exposure to foreign currency risk was as follows based on notional amounts:

	Canadian Dollar	Yen	US Dollar	Euro	Australian Dollar
	£'000	£'000	£'000	£'000	£'000
At 31 December 2020					
Trade and other receivables	73	727	1,891	8,803	2,175
Cash and cash equivalents	5	1	353	1,070	145
Total	78	728	2,244	9,873	2,320
At 31 December 2019					
Trade and other receivables	82	1,434	1,381	8,466	3,444
Cash and cash equivalents	-	2	485	726	321
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This risk arises as a result of outstanding fees (either billed or unbilled) due for settlement and the operation of foreign currency bank accounts. The Company manages this risk through a proactive debtor management process and by sweeping surplus foreign currency cash balances into Sterling on a periodic basis.

Sensitivity analysis

A 10 percent strengthening of Sterling against the following currencies at 31 December 2020 would have increased / (decreased) equity and profit or loss by the amounts shown below.

This analysis assumes that all other variables, in particular interest rates, remain constant. The analysis is performed on the same basis for 2019.

15. Financial instruments (continued)

	Impact on equity	Impact on profit or loss
	£'000	£'000
At 31 December 2020		
Canadian Dollar	(8)	(8)
Yen	(73)	(73)
US Dollar	(224)	(224)
Euro	(987)	(987)
Australian Dollar	(232)	(232)
At 31 December 2019		
Canadian Dollar	(8)	(8)
Yen	(144)	(144)
US Dollar	(187)	(187)
Euro	(919)	(919)
Australian Dollar	(377)	(377)

A 10 percent weakening of Sterling against the above currencies at 31 December 2020 would have had the equal but opposite effect on the above currencies to the amounts shown above, on the basis that all other variables remain constant.

15. Financial instruments (continued)**Interest rate risk****Effective interest rates and maturity analysis**

Income-earning financial assets and interest-bearing financial liabilities earn/bear interest on a floating rate basis. Management deem interest rate risk immaterial and do not actively manage this risk. The following table indicates the periods in which they mature and the effective interest rate earned.

	2020		2019	
	Cash and cash equivalents	Current asset investments	Cash and cash equivalents	Current asset investments
Effective rate	0.05%	0.26%	0.22%	0.90%
	£'000	£'000	£'000	£'000
One year or less	63,385	95,228	70,820	50,058

The annualised impact of an increase or decrease of 50 basis points in interest rates at the statement of financial position date would be to increase / (decrease) equity and profit or loss by £642,385 / (£642,385) (2019: £603,000 / (£603,000)).

This calculation assumes that the change occurs at the statement of financial position date and is applied to risk exposures existing at that date and is stated net of tax assuming the current corporation tax rate of 19% (2019: 19%).

Market price risk

The Company holds investments in the Insight Liquidity Funds plc (see note 9) as part of its capital management policy. Market price risk is managed by monitoring the holding and the rating of the fund. Exposure at the year end was £95,228,000 / (£95,228,000) (2019: £50,058,000 / (£50,058,000)).

The annualised impact of an increase or decrease of 50 basis points in interest rates at the statement of financial position date would be to increase / (decrease) equity and profit or loss by £385,673 / (£385,673) (2019: £250,000 / (£250,000)).

This calculation assumes that the change occurs at the statement of financial position date and is applied to risk exposures existing at that date and is stated net of tax assuming the current corporation tax rate of 19% (2019: 19%).

15. Financial instruments (continued)**Liquidity risk**

Liquidity risk is the risk that the Company does not have sufficient financial resources to meet its obligations when they fall due or will have to do so at excessive cost. This risk can arise from mismatches in the timing of cash flows relating to assets, liabilities and off-statement of financial position instruments. The Company monitors liquidity risk and does not have any borrowings or overdrafts and therefore has negligible liquidity risk especially given the large cash balances and liquid current asset investments on the statement of financial position.

The following are the contractual maturities of financial liabilities at the statement of financial position date:

	31-Dec	31-Dec
	2020	2019
	£'000	£'000
One month or less	28,352	9,170
Between one month and three months	-	51
Between three months and one year	179	11,090
Between one year and five years	-	-
Over five years	-	-
Total	28,531	20,312

15. Financial instruments (continued)**Fair values**

The fair values together with the carrying amounts shown in the statement of financial position are as follows:

	31-Dec 2020	31-Dec 2019
	£'000	£'000
Carrying amount		
Current asset investments designated at fair value through profit and loss (note 9)	95,228	50,058
Trade and other receivables at fair value (note 10)	106,525	193,914
Cash and cash equivalents (note 11)	63,385	70,820
Other financial liabilities measured at fair value – trade and other payables (note 13)	28,531	20,312
Fair value		
Current asset investments designated at fair value through profit and loss (note 9)	95,228	50,058
Trade and other receivables at fair value (note 10)	106,525	193,914
Cash and cash equivalents (note 11)	63,385	70,820
Other financial liabilities measured at fair value – trade and other payables (note 13)	28,531	20,312

Estimation of fair values

The following summarises the major methods and assumptions used in estimating the fair values of financial instruments reflected in the table.

Current asset investments

Fair value is based on quoted market prices at the statement of financial position date without any deduction for transaction costs.

Trade & other receivables / payables

For receivables / payables with a remaining life of less than one year, the notional amount is deemed to reflect the fair value.

15. Financial instruments (continued)**Fair value hierarchy**

The table below analyses financial instruments carried at fair value by valuation method. The different levels have been defined as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

	Level 1	Level 2	Level 3	Total
	£'000	£'000	£'000	£'000
At 31 December 2020				
Financial assets designated at fair value through profit or loss	95,228	-	-	95,228
Total	95,228	-	-	95,228
At 31 December 2019				
Financial assets designated at fair value through profit or loss	50,058	-	-	50,058
Total	50,058	-	-	50,058

During the year there have been no transfers between Levels.

16. Ultimate parent undertaking

As at 31 December 2020 the Company's immediate parent company was Insight Investment Management Limited.

Copies of the financial statements for Insight Investment Management Limited can be obtained from the Registrar of Companies, Companies House, Crown Way, Cardiff, CF14 3UZ.

The Company's ultimate parent company as at 31 December 2020 was The Bank of New York Mellon Corporation, incorporated in the United States of America. The consolidated financial statements of the ultimate parent company may be obtained from:

The Bank of New York Mellon Corporation
240 Greenwich Street
New York
NY 10286
USA

17. Unconsolidated variable interest entities

The Company is the delegated investment manager for an investment fund classified as a variable interest entity. This note provides additional information on the Company's exposure to this fund. The investment fund is a compartmentalised securitisation vehicle based in Luxembourg and is financed by its noteholders. The Company holds interests in this fund through the receipt of management fees. The following information summarises the size of this fund and the carrying value of the Company's interests at the balance sheet date where interest in investments have been classified as structured entities per IFRS 12, as the company deemed to be in control of the funds.

	2020	2019
	£'000	£'000
Nature and extent of interest in unconsolidated structured entities		
Net asset value of investment funds in which the Company has an interest	648,299	560,507
Nature of and changes in risks associated with interests in unconsolidated structured entities		
Investment in funds (included in current asset investments)	95,228	50,058
Accrued income – fees paid in arrears (included in trade and other receivables)	191	669

The maximum exposure to loss in these funds of the Company is limited to the total accrued income paid in arrears and the carrying value of investment in the funds.