Company No. 01688454

Rathbones Trust Company Limited

Annual Report and financial statements for the year ended 31 December 2022

Contents

Strategic report

This Strategic report has been prepared to provide a balanced picture of Rathbones Trust Company Limited's ("the Company") business and prospects, without prejudicing the confidential nature of commercially sensitive information.

It contains certain forward-looking statements, which are made by the directors in good faith based on the information available to them at the time of their approval of these financial statements. Statements contained within the Strategic report should be treated with some caution due to the inherent uncertainties (including but not limited to those arising from economic, regulatory and business risk factors) underlying any such forward-looking statements. The Strategic report has been prepared by the Company to provide information to its shareholder, Rathbones Group Plc ("Rathbones"), and should not be relied upon by any other party or for any other purpose.

Principal activity

The principal activity of the Company during the year was the provision of trust, company management and taxation services.

Results and financial highlights

The Company reports a profit before tax of £1,049,618 (2021: £556,759).

As shown in the Company's Statement of comprehensive income on page 9, the Company has generated revenue for the year of £6,733,140 compared to £6,636,051 in the prior year. The Company has a largely fixed operating cost base however following a review of allocations, the Company's share of group recharges fell as the Company used fewer group resources. The reduction in recharges from other group companies was the primary factor in a reduction in operating expenses to £5,699,212 (2021: £6,079,370).

No interim dividend was paid during the year (2021: £nil). The directors do not recommend a final dividend (2021: £nil).

The Balance sheet on page 11 of the financial statements shows that the Company's net assets at 31 December 2022 have increased since the end of 2021 by £869,343 (2021: increased by £492,372) as a result of the annual profit being transferred to reserves. Details of the amounts owed from fellow group companies are shown in note 11 and amounts owed to the Company's parent company and fellow group companies are shown in note 12 to the financial statements.

Key performance indicators

	2022	2021
Chargeable time recovery rate[1]	**96.4%**	104.1%
Profit Margin[2]	**15.6%**	8.4%

1 Amounts billed as a percentage of the value of time charged
2 Profit before tax divided by revenue

The movement in chargeable time recovery rate is largely driven by the type of activity undertaken in the year and timing of invoicing. Profit margin has increased due to a fall in operating costs as noted above.

Principal risks and uncertainties

Competition risk

The Company operates in a competitive market and therefore, there is a risk of loss of existing clients or failure to gain new clients due to:

- poor performance or service;
- failure to respond to changes in the marketplace;
- inadequate investment in marketing or distribution; and
- loss of professional staff.

To mitigate this risk, we:

- continue to invest in the people and resources required to ensure the business remains robust, flexible and capable of meeting a variety of needs;
- continuously monitor developments in the marketplace in which we operate and invest in enhancing or broadening the services offered where we believe it will contribute to growth in earnings;
- invest in recruiting high quality staff and ensure that remuneration packages remain appropriate, and support their training and development needs; and
- regularly review and update if necessary, contracts of employment for fee earning staff.

Strategic report continued

Principal risks and uncertainties continued

Reputational risk

The Company has a reputation as a high quality provider of trust and tax services. There is a risk that a significant damage to its reputation could lead to a potential loss of existing clients and/or failure to gain new clients.

Reputational risk arises principally from poor performance or service.

This risk is mitigated by our continuing emphasis on preserving and building on our established culture of seeking the highest possible professional and ethical standards.

Technology risk

The continuing delivery of high quality services to clients is to a large extent dependent on a robust and flexible IT infrastructure. Failure of IT strategy or implementation would have an adverse impact on the business.

Management mitigates this risk by giving IT infrastructure high priority. There are a number of business-led IT steering committees in place but overall responsibility for strategy rests with the Group IT Steering Committee. IT projects are reviewed by the Group IT steering committee on a monthly basis and formally documented procedures exist for approving IT changes or developments.

The Company has duplicated its core system at two sites and they can be accessed from its disaster recovery sites.

Financial risk

Further detailed discussion of the Company's exposures to financial risks is included in note 15 to the financial statements.

Approved by the board on 4 April 2023 and signed on its behalf:

Ali Johnson
Company Secretary

8 Finsbury Circus
London
EC2M 7AZ

Directors' Report

The directors present their report and audited financial statements for the year ended 31 December 2022 for Rathbones Trust Company Limited. On 7 December 2022 the Company changed its name to Rathbones Trust Company Limited.

Directors and their interests

The directors serving at the date of signing of the financial statements, all of whom have served throughout the year for which the financial statements are prepared, unless stated, were as follows:

R P Stockton (Chairman)
B R Newbigging (Managing Director)
L J Cousins
A Richmond
T F Smith
J S Hurrell
S Bilbao
T Harris
K Roberts

Company Secretary: A Johnson

T Harris was appointed as a director on 6 June 2022.

K J Toth resigned as a director on 1 January 2023.

K Roberts was appointed as a director on 1 January 2023.

None of the directors had any interest in the shares of the Company at any time during the year.

Auditor

Deloitte LLP have expressed their willingness to continue in office as auditor and a resolution to reappoint them at the Group level will be proposed at the next Rathbones' Annual General Meeting. If approved, the Company will subsequently reappoint Deloitte LLP as the Company's auditor.

Going concern

The Company's business activities, together with the factors likely to affect its future development, performance and position are set out on page 1. As set out in the Balance sheet on page 11, the Company has a surplus of current assets and is well capitalised. The Company has no external financing. The Company's objectives, policies and processes for managing its capital are set out in note 16 to the financial statements. Details of the Company's financial risk management objectives and its financial instruments; and its exposure to credit risk, market risk and liquidity risk are set out in note 15 to the financial statements.

The directors have, at the time of approving the financial statements, a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the financial statements. In forming their view, the directors have considered the Company's prospects, for a period of 12 months from the date the financial statements were approved.

Equality and diversity

Rathbones is an equal opportunities employer and it is our policy to ensure that all job applicants and employees are treated fairly and on merit regardless of their race, gender, marital status, age, disability, religious belief or sexual orientation.

It is the Company's policy and practice to give full and fair consideration to applications for employment by disabled people. If employees become disabled during their service with Rathbones, wherever practical, arrangements and adjustments are made to continue their employment and training.

Employees

All Rathbones Group staff who provide services to the Company in the UK are employed by Rathbones Group Plc, the Company's ultimate parent undertaking. The parent company operates share-based payment incentive schemes and defined benefit pension schemes for the benefit of its employees. The associated charges to profit or loss that relate to employees that provide services to the Company are recharged to the Company by its parent and are disclosed within operating expenses. The full disclosures relating to the share-based payments and defined benefit pension schemes are available in the Rathbones Group Plc report and accounts for the year ended 31 December 2022.

Insurance and indemnification of directors

The Company has put in place insurance to cover its directors and officers against the costs of defending themselves in civil legal action taken against them in that capacity and any damages awarded. The Company has granted indemnities, which are uncapped, to its directors and to the company secretary by way of deed. Qualifying third-party indemnity provisions, as defined by Section 234 of the Companies Act 2006, were therefore in place throughout 2022 and remain in force at the date of this report.

Post balance sheet events

There have been no material events between the balance sheet date and the approval of these financial statements.

Future developments

The Company will continue with its principal activity.

Financial instruments and risk management

The risk management objectives and policies of the Company are set out in note 15 to the financial statements.

Section 172

As the Company does not meet the Companies Act definition of a large company, the Directors have not produced an s172 statement. An s172 statement for the Rathbones group is provided in the Rathbones Group Plc report and accounts for the year ended 31 December 2022.

Disclosure of information to auditor

The directors who held office at the date of approval of this Directors' report confirm that, so far as they are each 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 establish that the Company's auditor is aware of that information. This confirmation is given and should be interpreted in accordance with the provisions of Section 418 of the Companies Act 2006.

Approved by the Board on 4 April 2023 and signed on its behalf:

Ali Johnson
Company Secretary

8 Finsbury Circus
London
EC2M 7AZ

Statement of directors' responsibilities in respect of the Strategic report, Directors' report and the financial statements

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom adopted international accounting standards. The financial statements also comply with International Financial Reporting Standards (IFRSs) as issued by the International Accounting Standards Board (IASB). 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, International Accounting Standard 1 requires that directors:

- properly select and apply accounting policies;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with the specific requirements in IFRSs are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance; and
- make an assessment of the Company's ability to continue as a going concern.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the Board on 4 April 2023 and signed on its behalf:

Ali Johnson
Company Secretary

8 Finsbury Circus
London
EC2M 7AZ

Independent auditor's report to the member of Rathbones Trust Company Limited

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of Rathbones Trust Company Limited (the 'Company'):

- give a true and fair view of the state of the company's affairs as at 31 December 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom adopted international accounting standards and International Financial Reporting Standards (IFRSs) as issued by the International Accounting Standards Board (IASB); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the Statement of comprehensive income;
- the Statement of changes in equity;
- the Balance sheet;
- the Statement of cash flows; and
- the related notes 1 to 20.

The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom adopted international accounting standards and IFRSs as issued by the IASB.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of directors

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

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

Independent auditor's report to the member of Rathbones Trust Company Limited continued

Auditor's responsibilities for the audit of the financial statements

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

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

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

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

We considered the nature of the company's industry and its control environment, and reviewed the company's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management and the directors about their own identification and assessment of the risks of irregularities, including those that are specific to the company's business sector.

We obtained an understanding of the legal and regulatory framework that the company operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. This included the UK Companies Act and tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty.

We discussed among the audit engagement team including relevant internal specialists such as tax, regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

As a result of performing the above, we identified the greatest potential for fraud in the following area, and our procedures performed to address it are described below:

- the work-in-progress ('WIP') balance relates to fees charged on advisory services which are recorded based on hourly rates. We consider the provision against the WIP balance to be the greatest potential for fraud due to the level of judgement surrounding the level of provisions applied to WIP. For a sample of provisions, we have obtained relevant correspondence with clients/solicitors to verify the work performed, inspected engagement letters to verify the hourly rates by which WIP should be recorded and recalculated the WIP balance.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management and in-house legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance.

Report on other legal and regulatory requirements

Opinions on other matters prescribed by the Companies Act 2006

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

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

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

Independent auditor's report to the member of Rathbones Trust Company Limited continued

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report in respect of the following matters 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 respect of these matters.

Use of our report

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

Manbhinder Rana FCA (Senior Statutory Auditor)
For and on behalf of Deloitte LLP
Statutory Auditor
London, United Kingdom
5 April 2023

Statement of comprehensive income

for the year ended 31 December 2022

	Note	2022 £	2021 £
Revenue	4	**6,733,140**	6,636,051
Gross profit		**6,733,140**	6,636,051
Operating expenses	5	**(5,699,212)**	(6,079,370)
Operating profit		**1,033,928**	556,681
Finance income	8	**15,690**	78
Profit before tax		**1,049,618**	556,759
Taxation	9	**(180,275)**	(64,387)
Profit after tax		**869,343**	492,372
Profit for the year attributable to equity holders of the Company		**869,343**	492,372
Other comprehensive income for the year		-	-
Total comprehensive income for the year net of income tax attributable to the equity holders of the Company		**869,343**	492,372

All the above amounts relate to continuing operations.

The accompanying notes on pages 13 to 27 form an integral part of the financial statements.

Statement of changes in equity
for the year ended 31 December 2022

	Share capital £	Retained earnings £	Total equity £
At 1 January 2021	250,000	1,878,357	2,128,357
Total comprehensive income for the year	-	492,372	492,372
At 31 December 2021	**250,000**	**2,370,729**	**2,620,729**
Total comprehensive income for the year	-	**869,343**	**869,343**
At 31 December 2022	**250,000**	**3,240,072**	**3,490,072**

The accompanying notes on pages 13 to 27 form an integral part of the financial statements.

Balance sheet
as at 31 December 2022

	Note	2022 £	2021 £
Non-current assets			
Investments in subsidiary undertakings	10	**300,201**	300,201
		300,201	300,201
Current assets			
Trade and other receivables	11	**6,757,435**	5,017,625
Cash and bank balances		**114,773**	106,872
		6,872,208	5,124,497
Total assets		**7,172,409**	5,424,698
Current liabilities			
Trade and other payables	12	**(3,629,339)**	(2,738,971)
Provisions	13	**-**	(12,000)
Current tax liabilities		**(52,998)**	(52,998)
		(3,682,337)	(2,803,969)
Net current assets		**3,189,871**	2,320,528
Net assets		**3,490,072**	2,620,729
Equity			
Share capital	14	**250,000**	250,000
Retained earnings		**3,240,072**	2,370,729
Total equity		**3,490,072**	2,620,729

The financial statements were approved by the Board of directors and authorised for issue on 4 April 2023 and were signed on its behalf by:

B R Newbigging
Director

J S Hurrell
Director

Company registered number: 01688454

The accompanying notes on pages 13 to 27 form an integral part of the financial statements.

Statement of cash flows

for the year ended 31 December 2022

	Note	2022 £	2021 £
Cash flows from operating activities			
Profit before tax		**1,049,618**	556,759
Finance income	8	**(15,690)**	(78)
Impairment (gains)/losses on trade and other receivables		**(11,755)**	2,220
Net charge for provisions	13	**2,778**	89,381
		1,024,951	648,283
Changes in operating assets and liabilities:			
- net increase in trade and other receivables		**(1,728,055)**	(1,174,858)
- net increase in trade and other payables		**887,590**	522,976
- net decrease in provisions	13	**(12,000)**	(1,400)
Cash generated from/(used in) operations		**172,486**	(5,000)
Tax paid		**(180,275)**	(64,387)
Net cash outflow from operating activities		(7,789)	(69,387)
Cash flows from investing activities			
Interest received		**15,690**	78
Net cash generated from investing activities		**15,690**	78
Net increase/(decrease) in cash and cash equivalents		**7,901**	(69,309)
Cash and cash equivalents at the beginning of the year		**106,872**	176,181
Cash and cash equivalents at the end of the year	19	**114,773**	106,872

The accompanying notes on pages 13 to 27 form an integral part of the financial statements.

Notes to the financial statements

1 Principal accounting policies

Rathbones Trust Company Limited ('the Company') is a private company limited by shares and incorporated and domiciled in England and Wales under the Companies Act 2006. The address of the Company's registered office is 8 Finsbury Circus, London, EC2M 7AZ. The nature of the Company's operations and its principal activities are set out in the Strategic report on page 1. The Company is a wholly owned subsidiary of Rathbones Group Plc, a company registered in England and Wales. Copies of the Group accounts may be obtained from the parent undertaking's registered office at Company Secretary, Rathbones Group Plc, 8 Finsbury Circus, London EC2M 7AZ.

1.1 Developments in reporting standards and interpretations

Standards and interpretations affecting the reported results or the financial position

The following amendments to standards have been adopted in the current period, but have not had an impact on the amounts reported in these financial statements:

- Onerous Contracts – Cost of Fulfilling a Contract (Amendments to IAS 37)
- Annual Improvements to IFRS Standards 2018-2020
- Property, Plant and Equipment: Proceeds before Intended Use (Amendments to IAS 16)
- Reference to the Conceptual Framework (Amendments to IFRS 3)

Future new standards and interpretations

The following standards are effective for annual periods beginning on or after 1 January 2023 and earlier application is permitted; however, the Company has not early adopted the amended standards in preparing these financial statements.

Standards available for early adoption	Effective date
IFRS 17 Insurance Contracts	01 January 2023
Amendments to IFRS 17	01 January 2023
Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2)	01 January 2023
Definition of Accounting Estimate (Amendments to IAS 8)	01 January 2023
Deferred Tax Related to Assets and Liabilities Arising from a Single Transaction – Amendments to IAS 12	01 January 2023
Initial Application of IFRS 7 and IFRS 9 – Comparative Information (Amendments to IFRS 17)	01 January 2023
Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28)	Optional
Classification of liabilities as current or non-current (Amendments to IAS 1)	01 January 2024
Lease Liability in a Sale and Leaseback – Amendments to IFRS 16	01 January 2024

None of these standards are expected to have a material impact on the Company's financial statements.

1.2 Basis of preparation

The financial statements have been prepared in accordance with United Kingdom adopted International Accounting Standards and International Financial Reporting Standards ("IFRS") as issued by the IASB. The company financial statements are presented on pages 9 to 27.

The Company has taken advantage of the exemption allowed by Section 400 of the Companies Act 2006 and has not prepared consolidated financial statements as it is a wholly owned subsidiary undertaking of Rathbones Group Plc, a company registered in England and Wales. Rathbones Group Plc is the parent undertaking of the smallest and largest Group to consolidate these financial statements. Copies of the Group financial statements may be obtained from the company secretary, Rathbones Group Plc, 8 Finsbury Circus, London, EC2M 7AZ. These financial statements present information about the Company as a single entity only.

The financial statements have been prepared on the historical cost basis.

The principal accounting policies set out below have been applied consistently to all periods presented in these financial statements, unless otherwise stated.

1.3 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 page 1. As set out in the Balance sheet, the Company is well capitalised and has no external finance. The Company's objectives, policies and processes for managing its capital are set out in note 16 to the financial statements. Details of the Company's financial risk management objectives and its financial instruments, and its exposure to credit risk, market risk and liquidity risk are set out in note 15 to the financial statements.

The directors have, at the time of approving the financial statements, a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future and that the Company is able to meet liabilities when they fall due for the next 12 month period. In forming their view, the directors have considered the Company's prospects for a period of at least 12 months. As a result, the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

Notes to the financial statements continued

1 Principal accounting policies continued

1.4 Foreign currencies
The Company's functional and presentational currency is sterling.
Transactions in currencies other than the Company's functional currency are recorded at the rates of exchange prevailing on the dates of the transactions. At each balance sheet date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the balance sheet date. Gains and losses arising on retranslation are included in profit or loss for the year.

1.5 Revenue
Revenue is recognised at the fair value of the consideration received. Revenue represents amounts receivable for services provided in the normal course of business, net of trade discounts and VAT.

Revenue is recognised by reference to the extent to which each identified performance obligation has been fulfilled (either on a point-in-time or on a continuous basis). The Company accounts for fees using an input method based upon the value of the services charged to the engagement to date compared to the total expected inputs. Chargeable time for employees is the most significant input and this is charged to individual contracts (and performance obligations) via timesheet reporting. Revenues are recognised as employee time is used to provide the service.

A breakdown of the timing of revenue recognition can be found in note 4.

1.6 Finance income
Finance income comprises interest income received from bank deposits which is recognised as it accrues in the Statement of comprehensive income, using the effective interest method.

1.7 Taxation
Current tax
Current tax is the expected tax payable or receivable on net taxable profit for the year. Current tax is calculated using tax rates enacted or substantively enacted by the balance sheet date, together with any adjustment to tax payable or receivable in respect of previous years.

Deferred tax
Deferred tax is accounted for under the balance sheet liability method in respect of temporary differences using tax rates (and laws) that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the liability is settled or when the asset is realised. Deferred tax liabilities are recognised for all temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences may be utilised, except where the temporary difference arises:

- from the initial recognition of goodwill; or
- from the initial recognition of other assets and liabilities in a transaction, which affects neither the tax profit nor the accounting profit, other than in a business combination.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

1.8 Cash and bank balances
Cash comprises cash in hand. Cash equivalents includes loans and advances to banks with a maturity of less than three months from the date of acquisition.

For the purposes of the Statement of cash flows, cash and bank balances consist of cash and cash equivalents as defined above.

1.9 Investments in subsidiary undertakings
Investments in subsidiary undertakings are stated as cost less, where appropriate, provision for impairment.

1.10 Segment Information
Under IFRS 8 '*Operating Segments*', the Company is exempt from the requirement to disclose financial information on the Company's business activities in which it engages and the economic environments in which it operates, as it has not issued any debt or equity instruments that are traded in a public market place and does not file financial statements with a regulated organisation for the purpose of issuing any class of instruments in a public market place.

Notes to the financial statements continued

1 Principal accounting policies continued

1.11 Financial assets

Initial recognition and measurement
Financial assets, excluding trade receivables, are initially recognised when the Company becomes party to the contractual provisions of the asset. Trade receivables are recognised when cash is advanced to the borrowers.

Financial assets are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition (except those assets classified at fair value through profit or loss). Trade receivables without a significant financing component are initially measured at the transaction price.

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

Classification and subsequent measurement
Financial assets of the Company are classified and measured at amortised cost if their contractual terms give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding and they are held within a business model whose objective is to hold assets to collect contractual cash flows.

Assets are measured at amortised cost using the effective interest rate method, less any impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

The Company does not classify or measure any financial assets at fair value through other comprehensive income ('FVOCI') or fair value through profit and loss ('FVTPL').

Payments of principal and interest criterion
In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers:
- the contractual terms of the instrument, checking consistency with a basic lending criteria;
- the impact of the time value of money;
- features that would change the amount or timing of contractual cash flows; and
- other factors, such as prepayment or extension features.

Derecognition
Financial assets are derecognised when the contractual rights to receive cash flows have expired or the Company has transferred substantially all the risks and rewards of ownership.

Impairment of financial assets
The Company recognises loss allowances for expected credit losses ("ECLs") on financial assets measured at amortised cost.

A financial asset measured at amortised cost will attract a loss allowance equal to either:
- 12 month ECLs (losses resulting from possible defaults within the next 12 months); or
- lifetime ECLs (losses resulting from possible defaults over the remaining life of the financial asset).

The latter applies if there has been a significant deterioration in the credit quality of the asset, albeit lifetime expected credit losses will always be recognised for trade receivables without a significant financing component.

The maximum period considered when estimating ECLs is the maximum contractual period over which the Company is exposed to credit risk.

The Company measures loss allowances at an amount equal to lifetime ECLs, except for assets for which credit risk has not increased significantly since initial recognition, which are measured at 12 month ECLs.

The Company's trade and other receivables are generally short term and do not contain significant financing components. Therefore, the Company has applied a practical expedient by using a provision matrix to calculate lifetime expected credit losses based on actual credit loss experience over the past four years.

Credit-impaired financial assets
At each reporting date, the Company assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Presentation of impairment
Loss allowances for financial assets measured at amortised cost are recognised in equity and profit or loss.

Impairment losses are presented under 'other operating expenses'. No losses are presented separately on the Statement of comprehensive income.

1 Principal accounting policies continued

1.12 Financial liabilities

Initial recognition and measurement

Financial liabilities are initially recognised at fair value plus transaction costs that are directly attributable to their issue.

Classification and subsequent measurement

Financial liabilities are classified as measured at amortised cost or at fair value through profit or loss.

The Company has not designated any liabilities as fair value through profit or loss and holds no liabilities as held for trading. Financial liabilities are measured at amortised cost using the effective interest method. Amortised cost is calculated by taking into account any issue costs and any discounts or premiums on settlement. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

Derecognition

The Company derecognises financial liabilities when its contractual obligations are discharged, cancelled or expire or when the financial liability is substantially modified.

1.13 Provisions and contingent liabilities

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of economic benefits, that can be reliably estimated, will occur. Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised within finance expenses.

Contingent liabilities are possible obligations that depend on the outcome of uncertain future events or those present obligations where the outflows of resources are uncertain or cannot be measured reliably. Contingent liabilities are not recognised in the financial statements but are disclosed unless the likelihood of crystallisation is judged to be remote.

1.14 Employee Benefits

The Company's parent undertaking operates share-based payment incentive schemes and defined benefit pension schemes for the benefit of its employees. The associated charges to profit or loss that relate to employees that provide services to the Company are recharged to the Company by its parent. Recharges relating to pension costs are disclosed within staff costs. Recharges relating to share-based payments are included within operating expenses.

The cost of providing benefits under defined benefit plans are recharged to the Company by the parent company. Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

The full disclosure relating to the share-based payments and defined benefit pension schemes are available in the Rathbones Group Plc report and accounts for the year ended 31 December 2022.

1.15 Assets and liabilities of trusts

In the financial statements, no account is taken of assets held or liabilities managed by the Company in its capacity as trustee.

2 Changes in significant accounting policies

There have been no significant accounting policy changes in the year.

3 Critical accounting judgements and key sources of estimation uncertainty

The Company makes estimates and assumptions that affect the application of the Company's accounting policies and the reported amounts of assets, liabilities income and expenses within the next financial year. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

No critical accounting judgements or sources of estimation uncertainty are considered to have a significant effect on the reported amounts of assets, liabilities, income and expenses within these financial statements.

Notes to the financial statements continued

4 Revenue

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

	2022	2021
	£	£
Trustee, taxation and company management fees	**6,689,452**	6,588,815
Fees received from other group companies	**39,488**	47,236
Sundry income	**4,200**	-
	6,733,140	6,636,051

The following table presents operating income analysed by the the timing of revenue recognition when providing the service:

	2022	2021
	£	£
Products and services transferred at a point in time	**24,660**	21,403
Products and services transferred over time	**6,708,480**	6,614,648
Operating income	**6,733,140**	6,636,051

All revenue is derived from the United Kingdom.

5 Operating profit for the year

Operating profit for the year has been arrived at after charging:	2022	2021
	£	£
Staff costs (note 6)	**3,643,698**	3,512,745
Auditor's remuneration (see below)	**12,793**	22,473
Impairment (recoveries)/losses on trade and other receivables (note 15)	**(11,755)**	2,220
Recharges from other group companies	**1,775,098**	2,191,512
Other administrative expenses	**279,378**	350,420
Total operating expenses	**5,699,212**	6,079,370

A more detailed analysis of auditor's remuneration is provided below:

	2022	2021
	£	£
Fees payable to the Company's auditor:		
- for the audit of the Company's annual financial statements	**12,793**	13,304
- for other assurance services	-	9,169
Total auditor's remuneration	**12,793**	22,473

6 Staff numbers and costs

The Company does not directly employ any staff. All Rathbones Group staff are employed by Rathbones Group Plc, the Company's ultimate parent undertaking, and related costs for those employees that provide services to the Company are recharged to the Company. The total staff costs recharged to the Company were as follows:

	2022	2021
	£	£
Wages and salaries	**2,858,625**	2,800,737
Social security costs	**352,841**	338,890
Pension costs	**432,232**	373,118
	3,643,698	3,512,745

The average number of employees during the year was as follows:	2022	2021
Client facing staff	**25**	27
Administrative support staff	**17**	10
	42	37

The Company pays contributions on behalf of its parent company, Rathbones Group Plc, to a money purchase company pension scheme and contributes to various other personal pension arrangements, for certain directors and employees of Rathbones Group Plc. Pension costs include contributions made to the defined benefit schemes which are recharged from the parent company. The total contributions made to the defined benefit pension schemes during the year were £nil (2021: £nil).

7 Directors' emoluments

Directors are employed by Rathbones Group Plc, the Company's ultimate parent undertaking. Directors' remuneration associated with their position as directors of the Company was as follows:

	2022	2021
	£	£
Emoluments for qualifying services	**1,140,183**	1,141,371
Amounts receivable under long term incentive schemes	**5,048**	34,726
Contributions to money purchase pension schemes	**128,694**	114,660
	1,273,925	1,290,757

The aggregate emoluments and amounts receivable under long term incentive schemes of the highest paid director was £206,473 (2021: £181,634). The director is a member of the parent company's money purchase pension scheme under which contributions of £nil were paid during the year (2021: £22,928). The director was not a member of the parent company's defined benefit scheme at the year end (2021: not a member).

Retirement benefits are accruing to the following number of directors under:

	2022	2021
Money purchase schemes	**5**	5
Defined benefit schemes	**-**	-
	5	5

	2022	2021
The number of directors, in respect of whose services shares in the ultimate parent undertaking were received or receivable under long term incentive plans was:	**9**	**9**

	2022	2021
Number of directors who exercised share options	**1**	1

8 Finance income

	2022	2021
	£	£
Bank deposits	**15,690**	78

9 Taxation

	2022	2021
	£	£
Current tax:		
- charge for the year	**166,387**	72,483
- adjustment in respect of previous years	**13,888**	(8,096)
Total tax charge	**180,275**	64,387

The tax charge on profit for the year is lower (2021: lower) than the standard rate of corporation tax in the UK of 19.0% (2021: 19.0%). The differences are explained below:

	2022	2021
	£	£
Tax on profit from ordinary activities at the standard rate of 19.0% (2021: 19.0%)	**199,428**	105,784
Effects of:		
- expenses not deductible for tax purposes	**3,784**	2,955
- tax adjustment for transfer pricing	**(36,825)**	(36,256)
- adjustment in respect of prior years	**13,888**	(8,096)
Total tax charge	**180,275**	64,387

10 Investments in subsidiary undertakings

	2022	2021
	£	£
At 1 January	**300,201**	100,201
Additions	**-**	200,000
At 31 December	**300,201**	300,201

At 31 December 2022, the principal subsidiary undertakings were as follows:

Subsidiary undertaking	Country of incorporation	Activity and operations
Rathbone Directors Limited	England & Wales	Corporate Directorship Services (non-trading)
Rathbone Secretaries Limited	England & Wales	Corporate Secretarial Services (non-trading)
Rathbones Legal Services Limited	England & Wales	Legal and Trust Services - Solicitors

The Company directly owns 100% of the ordinary share capital of all subsidiaries.

The registered office for all subsidiaries is 8 Finsbury Circus, London, EC2M 7AZ.

The interests in the subsidiaries listed above relate to ordinary shares held directly by the Company.

Notes to the financial statements continued

11 Trade and other receivables

	2022 £	2021 £
Trade debtors	**975,698**	1,351,418
Work in progress	**3,615,803**	3,638,348
Prepayments and accrued income	**98,691**	27,859
Amounts owed by group companies	**2,067,243**	-
	6,757,435	5,017,625

The fair value of trade and other receivables is not materially different to their carrying amount. Fair value has been calculated as the discounted amount of estimated future cash flows expected to be received using current market rates. The Company's exposure to credit risk arising from trade and other receivables is described in note 15.

Work in progress reflects time and materials charged at year end but not invoiced to clients.

All amounts owed by group undertakings are repayable on demand and are non-interest bearing.

12 Trade and other payables

	2022 £	2021 £
Trade creditors	**1,250**	-
Accruals and deferred income	**50,833**	2,259
Amounts owed to group companies	**3,577,256**	2,736,712
	3,629,339	2,738,971

The fair value of trade and other payables is not materially different to their carrying amount. Fair value has been calculated as the discounted amount of estimated future cash flows expected to be paid using current market rates. The Company's exposure to credit and liquidity risk arising from trade and other payables is described in note 15.

All amounts owed to group undertakings are repayable on demand and are non-interest bearing.

13 Provisions

	£
At 1 January 2021	13,400
Charged to profit or loss	90,472
Unused amount credited to profit or loss	(1,091)
Net charge to the profit or loss	89,381
Other movements	(2,383)
Paid during the year	(88,398)
At 1 January 2022	**12,000**
Charged to profit or loss	**8,822**
Unused amount credited to profit or loss	**(6,044)**
Net charge to the profit or loss	**2,778**
Other movements	**(5,956)**
Paid during the year	**(8,822)**
At 31 December 2022	**-**
Payable within 1 year	**-**

In the ordinary course of business, Rathbones Trust Company Limited can receive complaints from clients in relation to the services provided. Complaints are assessed on a case by case basis and provisions for compensation are made where judged necessary.

The timing of settlement of provisions for client compensation is dependent, in part, on the duration of negotiations with third parties.

14 Share capital

	2022	2021
	£	£
Issued and fully paid up		
250,000 Ordinary Shares of £1 each	**250,000**	250,000

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. The ordinary shareholders are entitled to any residual assets on the winding up of the Company.

15 Financial risk management

The Company's risk management policies and procedures are integrated with the wider Group risk management process. The Group has identified the business, operational and financial risks arising from all of its activities, including those of the Company, and has established policies and procedures to manage these items in accordance with its risk appetite. The Company categorises its financial risks into three areas:
(i) credit risk;
(ii) liquidity risk; and
(iii) market risk (which includes fair value interest rate risk, cash flow interest rate risk, and foreign exchange risk).

The sections below outline the Group's risk appetite, as applicable to the Company and explain how the Company defines and manages each category of financial risk.

The Company's financial risk management policies are designed to identify and analyse the financial risks that the Company faces, to set appropriate risk limits and controls and to monitor the financial risks and adherence to limits by means of reliable and up-to-date information systems. The Company regularly reviews its financial risk management policies and systems to reflect changes in the business and the wider industry.

The Company's overall strategy and policies for monitoring and management of financial risk are set by the Rathbones Trust Company Board of directors ("the Board"). The Board has embedded risk management within the business through Rathbones' executive committee.

(i) Credit risk

The Company takes on exposure to credit risk, which is the risk that a counterparty will be unable to pay amounts in full when due, through its trading activities. The principal sources of credit risk arise from depositing funds with banks, trade debtors and other receivables.

It is the Company's policy to place funds generated internally with high-quality financial institutions. Exposure to credit risk is managed through setting appropriate ratings requirements. The Company categorises its exposures based on the long term ratings awarded to counterparties by Fitch or Moody's. The Company's policy requires that all such exposures are only taken with counterparties that have been awarded a minimum long term rating of A by Fitch or equivalent rating by Moody's.

The Company is also exposed to credit risk on trade receivables and other receivables. Trade receivables relate to amounts invoiced to clients in relation to services provided.

No impairment losses on financial assets were recognised in profit or loss in the year (2021: no impairment losses).

Maximum exposure to credit risk	2022	2021
	£	£
Trade and other receivables		
- Trade debtors	**1,007,361**	1,450,992
- Amounts owed by group companies	**2,067,243**	-
Cash and bank balances	**114,773**	106,872
	3,189,377	1,557,864

The above table represents the gross credit risk exposure to the Company at 31 December 2022 and 2021 without taking account of any collateral held or other credit enhancements attached.

15 Financial risk management continued

Trade and other receivables

The Company's exposure to credit risk is primarily on trade receivables in relation to services undertaken. These fees are collected from client money balances held by the Company on behalf of the client, or when the client pays funds to the Company.

These amounts are generally paid to the Company within one month of the balance sheet date, which limits the Company's exposure to credit risk.

The Company uses a provision matrix to measure the ECLs of its trade and other receivables, which comprise a large number of small balances. For such debts, a normal settlement period of up to 30 days is expected.

	Weighted average loss rate	Gross carrying amount	Loss allowance		
			Not credit impaired	Credit impaired	Total
		£	£	£	£
<90 days overdue	0.3%	590,535	1,840	-	1,840
90-180 days overdue	1.5%	172,223	2,527	-	2,527
180-270 days overdue	2.7%	98,959	2,630	-	2,630
270-365 days overdue	4.5%	81,647	3,657	-	3,657
>365 days overdue	23.9%	63,997	13,474	7,535	21,009
		1,007,361	24,128	7,535	31,663

The movement in allowance for impairment in respect of trade receivables during the year is set out below.

	£
At 1 January 2022	99,574
Amounts written off	(56,156)
Credit to profit or loss	(11,755)
At 31 December 2022	31,663

Cash and bank balances

The credit quality of balances at banks are analysed below by reference to the long-term credit rating awarded by Fitch, or equivalent rating by Moody's as at the balance sheet date.

	2022	2021
	£	£
A	114,773	106,872
	114,773	106,872

15 Financial risk management continued

(i) Credit risk continued

(a) Geographical sectors

The Company does not have any material credit exposures to geographical sectors as it only had exposure to counterparties domiciled in the United Kingdom at the balance sheet date (2021: no exposures).

(b) Industry sectors

The Company's credit exposures at the balance sheet date, analysed by the primary industry sectors in which our counterparties operate were:

At 31 December 2022	Financial institutions £	Clients and other corporates £	Total £
Trade and other receivables			
- Trade debtors	-	975,698	975,698
- Amounts owed by group companies	2,067,243	-	2,067,243
Cash and bank balances	114,773	-	114,773
	2,182,016	975,698	3,157,714

At 31 December 2021	Financial institutions £	Clients and other corporates £	Total £
Trade and other receivables			
- Trade debtors	-	1,351,418	1,351,418
Cash and bank balances	106,872	-	106,872
	106,872	1,351,418	1,458,290

Notes to the financial statements continued

15 Financial risk management continued

(ii) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

The Company manages liquidity risk by ensuring that the Company will have sufficient liquid resources to ensure that it can meet its obligations as they fall due.

The Company does not rely on external funding for its activities.

The table below presents the undiscounted cash flows receivable and payable by the Company on its financial assets and liabilities by remaining contractual maturities at the balance sheet date.

At 31 December 2022	On demand £	Not more than 3 months £	Total £
Cash flows arising from financial assets			
Trade and other receivables			
- Trade debtors	-	975,698	975,698
- Amounts owed by group companies	2,067,243	-	2,067,243
Cash and bank balances	114,773	-	114,773
Cash flows arising from financial assets	2,182,016	975,698	3,157,714
Cash flows arising from financial liabilities			
Trade and other payables			
- Amounts owed to group companies	3,577,256	-	3,577,256
Other liabilities	-	52,083	52,083
Cash flows arising from financial liabilities	3,577,256	52,083	3,629,339
Net liquidity gap	(1,395,240)	923,615	(471,625)
Cumulative net liquidity gap	(1,395,240)	(471,625)	

At 31 December 2021	On demand £	Not more than 3 months £	Total £
Cash flows arising from financial assets			
Trade and other receivables			
- Trade debtors	-	1,351,418	1,351,418
Cash and bank balances	106,872	-	106,872
Cash flows arising from financial assets	106,872	1,351,418	1,458,290
Cash flows arising from financial liabilities			
Trade and other payables			
- Amounts owed to group companies	2,736,712	-	2,736,712
Other liabilities	-	2,259	2,259
Cash flows arising from financial liabilities	2,736,712	2,259	2,738,971
Net liquidity gap	(2,629,840)	1,349,159	(1,280,681)
Cumulative net liquidity gap	(2,629,840)	(1,280,681)	

Included within the amounts due to other creditors disclosed above are balances that are repayable on demand or that do not have a contractual maturity date, which historical experience shows are unlikely to be called in the short term.

Balances held off the balance sheet

There are no cash flows arising from the Company's financial liabilities held off the balance sheet (2021: none).

15 Financial risk management continued

(iii) Market risk

Interest rate risk

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Fair value interest rate risk is the risk that the value of a financial instrument will fluctuate because of changes in market interest rates.

The Company's principal exposure to cash flow interest rate risk arises from the mismatch between the repricing of its financial assets and liabilities.

The Company does not have any material exposure to cash flow interest rate risk as all of the Company's financial liabilities are non-interest bearing (2021: non-interest bearing).

Foreign exchange risk

The Company does not have any material exposure to transactional foreign exchange risk as all fees are invoiced in sterling (2021: no material exposure).

16 Capital management

Rathbones Trust Company Limited's capital is defined for accounting purposes as the total of share capital and retained earnings. As at 31 December 2022 this totalled £3,490,072 (2021: £2,620,729). The Company has no external borrowings.

The Company's objectives when managing capital are to:

- safeguard the Company's ability to continue as a going concern so that it can continue to provide returns for shareholders and benefits for other stakeholders; and
- maintain a strong capital base to support the development of its business.

For monitoring purposes, the Company defines capital as equity shareholders' funds. Rathbones Trust Company Limited's Board of directors considers the level of capital held in relation to forecast performance and wider plans for the business, although formal quantitative targets are not set. The Board also monitors the level of dividends to shareholders. The Company's total capital at 31 December 2022, together with movements during the year then ended, is set out in the Statement of changes in equity on page 10. There were no changes in the Company's approach to capital management during the year.

17 *Contingent liabilities and commitments*

Indemnities are provided by the Company's ultimate parent company to a number of directors and employees in the Company in connection with them acting as directors on client structures in the normal course of business. No indemnities were called on during the year (2021: no indemnities called on).

18 Related party transactions

(i) Parent and ultimate controlling party

The immediate and ultimate parent undertaking and controlling party of the Company is Rathbones Group Plc, a company registered in England and Wales, which is the parent undertaking of the smallest and largest group to consolidate these financial statements. Copies of the Group financial statements may be obtained from the company secretary, Rathbones Group Plc, 8 Finsbury Circus, London, EC2M 7AZ.

(ii) Transactions with key management personnel

The key management personnel of the Company are defined as the Company's directors and other members of senior management who are responsible for planning, directing and controlling the activities of the Company.

Key management personnel compensation

As explained in note 6, all staff, including key management personnel, are employed by the Company's ultimate parent undertaking. Key management personnel compensation borne by the Company's ultimate parent undertaking and charged to the Company comprised:

	2022	2021
	£	£
Short term employee benefits	**1,188,277**	1,201,748
Post-employment benefits	**128,694**	115,633
Share-based payments	**47,308**	95,415
	1,364,279	1,412,796

Key management personnel transactions

On occasion, the Company's key management personnel and their close family members make use of the services provided by the Company. Charges for such services totalled £nil in the year (2021: £400), made at various staff rates.

All amounts outstanding with key management personnel are unsecured and will be settled in cash. No guarantees have been given or received. No provisions have been made for doubtful debts in respect of the amounts owed by key management personnel.

(iii) Other related party transactions

During the year, the Company entered into the following transactions with its parent undertaking and fellow subsidiaries:

	2022	2022	2021	2021
	Receivable	Payable	Receivable	Payable
	£	£	£	£
Fees and commissions	**39,488**	-	47,236	-
Charges for management services	-	**1,775,098**	-	2,191,512
	39,488	**1,775,098**	47,236	2,191,512

The Company's balances with fellow group companies at 31 December 2022 are set out in notes 11 and 12.

Management charges relate primarily to staff costs and other expenses are initially paid by the Company's ultimate parent company and recharged monthly to the Company at cost. These expenses are to be settled in cash within one year of the balance sheet date. None of the balances are secured and no provisions have been made for doubtful debts for any amounts due from fellow group companies.

19 Statement of cash flows

For the purposes of the Statement of cash flows, cash and cash equivalents comprise the following balances with less than three months until maturity from the date of acquisition:

	2022	2021
	£	£
Cash and bank balances	**114,773**	106,872

There have been no cash flows arising from financing activities, other than total comprehensive income for the year attributable to equity holders. Therefore no separate reconciliation of the movements of liabilities to cash flows from financing liabilities has been presented.

20 Events after the balance sheet date

There have been no material events occurring between the balance sheet date and the date of signing this report.