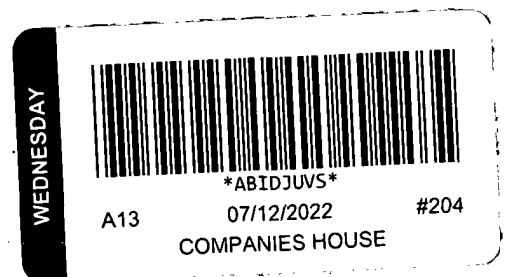


LIONTRUST INVESTMENT SERVICES LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2022

Company Registration No. 3194204



LIONTRUST INVESTMENT SERVICES LIMITED

Company Information

Liontrust Investment Services Limited is a company registered in the United Kingdom.

Registered Office:

2 Savoy Court, London WC2R 0EZ.

Company Secretary:

Mark Jackson, 2 Savoy Court, London WC2R 0EZ.

Independent Auditors:

KPMG LLP, 15 Canada Square, London E14 5GL

Legal Advisers:

Macfarlanes LLP, 20 Cursitor Street, London ECA 1LT.

Simmons & Simmons LLP, City Point, 1 Ropemaker Street, London, EC2Y 9SS

Bankers:

RBS, 280 Bishopsgate, 60 Queen Victoria Street, London EC2M 4RB.

LIONTRUST INVESTMENT SERVICES LIMITED

DIRECTORS' REPORT

The Directors present their annual report and the audited financial statements for Liontrust Investment Services Limited (the "Company") for the year ended 31 March 2022. The Company is incorporated and domiciled in the United Kingdom.

PRINCIPAL ACTIVITIES

The principal activity of the Company is to operate as a Corporate Member for Liontrust Investment Partners LLP.

RESULTS AND DIVIDEND

The results of the Company for the year to 31 March 2021 are set out in detail on page 9. The profit for the year was £17,170,000 (2021: profit of £10,067,000). The Company's total equity Balance Sheet position at 31 March 2022 was £19,521,000 (2021: £22,351,000). The Company paid a dividend of £20,000,000 in the year (2021: £nil).

DIRECTORS' INDEMNITIES

As permitted by the Articles of Association, the Directors have the benefit of an indemnity which is a qualifying third-party indemnity provision as defined by Section 234 of the Companies Act 2006. The indemnity was in force throughout the last financial year and is currently in force. The Company also purchased and maintained throughout the financial year Directors' and Officers' liability insurance in respect of itself and its Directors.

DIRECTORS

The Directors who served during the year and those at the date of this report were as follows:

V K Abrol	-	Director
J S Ions	-	Director

LIONTRUST INVESTMENT SERVICES LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT THE DIRECTORS' REPORT AND THE FINANCIAL STATEMENTS

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

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 101 *Reduced Disclosure Framework*.

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 and prudent;
- state whether they have been prepared in accordance with accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 101 *Reduced Disclosure Framework*;
- 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.

LIONTRUST INVESTMENT SERVICES LIMITED

STATEMENT OF DISCLOSURE OF INFORMATION TO AUDITORS

Each of the persons who is a Director at the date of approval of this report confirms that:

(a) so far as the Director is aware, there is no relevant audit information of which the Company's auditors are unaware; and

(b) he has taken all the steps that he ought to have taken as a Director in order to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

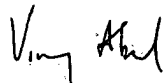
DONATIONS

The Company made no charitable or political donations during the year (2021 £nil).

DISCLOSURE NOTE

This report has been prepared in accordance with the special provisions relating to small companies within section 415(A) of the Companies Act 2006.

The financial statements on pages 9 to 11 were approved by the Board of Directors on 1 August 2022 and signed on its behalf by



VK Abrol
Director
1 August 2022

LIONTRUST INVESTMENT SERVICES LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE DIRECTORS OF LIONTRUST INVESTMENT SERVICES LIMITED

Opinion

We have audited the financial statements of Liontrust Investment Services Limited ("the Company") for the year ended 31 March 2022 which comprise the Statement of Comprehensive Income, Balance Sheet, Statement of Changes in Equity 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 March 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; 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 our 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, the Group's Audit & Risk Committee to which the Company belongs, the Group's Internal Audit and the Group's Compliance team 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, as well as whether they have knowledge of any actual, suspected or alleged fraud identifying and responding to risks of material misstatement due to fraud.
- Reading Board Minutes.
- Considering remuneration incentive schemes and performance targets for management and Directors.
- Using analytical procedures to identify any unusual or unexpected relationships.

LIONTRUST INVESTMENT SERVICES LIMITED

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 possible pressures to meet profit targets, we perform procedures to address the risk of management override of controls, in particular 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 revenue recognition because there is limited judgement involved in the valuation and recognition of all material revenue streams.

We did not identify any additional fraud risks other than those professional standards require us to consider.

We performed procedures including:

- Identifying journal entries and other adjustments to test based on risk criteria and comparing the identified entries to supporting documentation. These included, but were not limited to, journals impacting cash balances that were identified as unusual or unexpected in our risk assessment procedures.

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 the compliance with laws and regulations.

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.

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

The Company, as a holding company, is not subject to other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements.

Context of the ability 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.

Directors' report

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

Our responsibility is to read 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 directors' report;

LIONTRUST INVESTMENT SERVICES LIMITED

- in our opinion the information given in that report for the financial year is consistent with the financial statements; and
- in our opinion that report 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; or
- the directors were not entitled to take advantage of the small companies exemption from the requirement to prepare a strategic report.

We have nothing to report in these respects.

Directors' responsibilities

As explained more fully in their statement set out on page 3, 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.

Jatin Patel (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
15 Canada Square
E14 5GL
1 August 2022

LIONTRUST INVESTMENT SERVICES LIMITED

STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 March 2022

		Year ended 31-Mar-22 £'000	Year ended 31-Mar-21 £'000
	<i>Note</i>		
Revenue	3	25,000	15,000
Gross profit		<u>25,000</u>	<u>15,000</u>
Administration expenses	4	(18)	(12)
Operating profit	6	<u>24,982</u>	<u>14,988</u>
 Profit before tax		 24,982	 14,988
Taxation	7	<u>(7,812)</u>	<u>(4,921)</u>
Profit for the financial year		<u>17,170</u>	<u>10,067</u>
 Other comprehensive income:			
Other comprehensive income for the financial year, net of tax		-	-
 Total comprehensive income for the year		<u>17,170</u>	<u>10,067</u>

The notes on page 11 to 16 form an integral part of these financial statements.

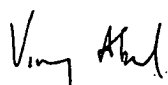
LIONTRUST INVESTMENT SERVICES LIMITED

BALANCE SHEET

As at 31 March 2022

	Note	31-Mar-22 £'000	31-Mar-21 £'000
Assets			
Non-current assets			
Investments	8	14,574	14,574
		<u>14,574</u>	<u>14,574</u>
Current assets			
Cash and cash equivalents		12,769	12,447
		<u>12,769</u>	<u>12,447</u>
Liabilities			
Current liabilities			
Trade and other payables	9	(3,595)	(2,568)
Corporation tax payable		(4,227)	(2,102)
		<u>(7,822)</u>	<u>(4,670)</u>
Net assets		<u>19,521</u>	<u>22,351</u>
Shareholders' equity			
Ordinary shares	10	9,187	9,187
Retained earnings		10,334	13,164
Total equity		<u>19,521</u>	<u>22,351</u>

Approved by the Board of Directors on 1 August 2022 and signed on its behalf by



VK Abrol, Director
1 August 2022

Company registration number: 3194204

The notes on page 11 to 16 form an integral part of these financial statements.

LIONTRUST INVESTMENT SERVICES LIMITED

STATEMENT OF CHANGES IN EQUITY For the year ended 31 March 2022

	<i>Ordinary shares £ '000</i>	<i>Retained earnings £ '000</i>	<i>Total Equity £ '000</i>
Balance at 1 April 2021	9,187	13,164	22,351
Profit for the financial year	-	17,170	17,170
Total comprehensive income for the financial year	-	30,334	30,334
Dividends paid	-	(20,000)	(20,000)
Balance at 31 March 2022	9,187	10,334	19,521

STATEMENT OF CHANGES IN EQUITY for the year ended 31 March 2021

	<i>Ordinary shares £ '000</i>	<i>Retained earnings £ '000</i>	<i>Total Equity £ '000</i>
Balance at 1 April 2020	9,187	3,097	12,284
Profit for the financial year	-	10,067	10,067
Total comprehensive income for the financial year	-	10,067	10,067
Dividends paid	-	-	-
Balance at 31 March 2021	9,187	13,164	22,351

The notes on page 11 to 16 form an integral part of these financial statements.

LIONTRUST INVESTMENT SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

1 PRINCIPAL ACCOUNTING POLICIES

a) Basis of preparation

The financial statements have been prepared in accordance with Financial Reporting Standard 101, 'Reduced Disclosure Framework' (FRS 101). The financial statements have been prepared on a going concern basis under the historical cost convention and in accordance with the Companies Act 2006.

Having given consideration to the uncertainties and contingencies disclosed in the financial statements, the Directors have satisfied themselves that the Company has adequate resources to continue in operation for at least 12 months from approval of the financial statements and they continue to adopt the going concern basis of accounting in preparing the annual financial statements. The Directors confirm that as a result of this assessment they have a reasonable expectation that the Group and parent company will continue to operate and meet its liabilities as they fall due for at least 12 months from the date of signing these accounts.

The following exemptions from the requirements of IFRS have been applied in the preparation of these financial statements, in accordance with FRS 101:

- IAS 7, 'Statement of cash flows';
- Paragraph 17 of IAS 24, 'Related party disclosures' (key management compensation);
- the requirements in IAS 24, 'Related party disclosures' to disclose related party transactions entered into between two or more Members of a group;
- certain disclosures regarding revenues;
- disclosures in respect of capital management; and
- the effect of new but not yet effective IFRSs.

The preparation of financial statements in conformity with generally accepted accounting principles requires the Directors of the Company to make judgements and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingencies at the date of the financial information and the reported income and expense during the reporting periods. Although these judgements and assumptions are based on the Directors' best knowledge of the amount, events or actions, actual results may differ from these estimates. The accounting policies set out below have been used to prepare the financial information.

The financial information has been prepared based on the IFRS standards effective as at 31 March 2022.

b) Cash and cash equivalents

Cash comprises cash on hand and demand deposits. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

LIONTRUST INVESTMENT SERVICES LIMITED

Accounting policies (continued)

c) Accounting estimates and judgements

Estimates and judgements used in preparing the financial statements are periodically evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable. The resulting accounting estimates will seldom equal the related actual results. There are no significant estimates or judgements that have a material effect on the carrying amounts of assets and liabilities or the profit and loss for the period.

d) Income and expenses

Income and expenses are accounted for on an accruals basis when they become receivable or payable.

e) Taxation

The tax expense for the year comprises current tax. Tax is recognised in the income statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Company and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

f) Dividends

Dividends and other distributions to Company's shareholders are recognised as a liability in the financial statements in the period in which the dividends and other distributions are approved by the Company's shareholders. These amounts are recognised in the statement of changes in equity.

g) Financial assets

The Company classifies its financial assets in the following category: receivables

Receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets. The Company's receivables comprise trade and other receivables and cash and cash equivalents in the Balance Sheet. They are held at amortised cost. The Company assesses at each balance sheet date whether there is objective evidence that a financial asset or a group of financial assets is impaired. The Directors have considered this and there is no evidence that any assets should be impaired.

h) Trade and other payables

Trade and other payables represent amounts the Company is due to pay to third parties in the normal course of business. These include expense accruals as well as settlement accounts (amounts due to be paid for transactions undertaken). Trade creditors are costs that have been billed. Accruals represent costs, including remuneration, that are not yet billed or due for payment. They are financial liabilities held at amortised cost and the Directors believe there is no material impairment risk.

LIONTRUST INVESTMENT SERVICES LIMITED

Accounting policies (continued)

i) Investment in subsidiaries

Investment in subsidiaries are stated at cost less, where appropriate, provisions for impairment.

2 SEGMENTAL REPORTING

The Company operates only in one business segment – the operating company of an Investment Management subsidiary.

3 REVENUE

The only revenue that the Company receives is revenue allocated from Liontrust Investment Partners LLP of which the Company is a Corporate Member. During the year the Company received allocations of £25,000,000 (2021: £15,000,000).

4 ADMINISTRATIVE EXPENSES

During the year the Company has only incurred expenses related to audit fees and sundry items totalling £18,000 (2021: £12,000). The Company had no employees during the year (2021: no employees).

5 DIRECTORS' EMOLUMENTS

The Directors who held office during the year received a nominal allocation of £5,000 (2021: £nil). All Directors' remuneration is borne by group entities and the proportion of Directors' remuneration relating to services provided to the Company is not able to be separately identified. No Director exercised share options during the current year (2021: nil). No share options were issued to Directors during either the current or prior year in respect of qualifying services.

6 OPERATING PROFIT

	<i>Year ended</i>	<i>Year ended</i>
	<i>31-Mar-22</i>	<i>31-Mar-21</i>
	<i>£'000</i>	<i>£'000</i>
The following items have been included in arriving at operating profit:		
Services provided by the Company's auditors:		
Fees payable to the Company's auditors for the audit of the Company's financial statements for the year (inclusive of VAT)	15	12

LIONTRUST INVESTMENT SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

7 TAXATION

	Year ended 31-Mar-22 £'000	Year Ended 31-Mar-21 £'000
(a) Analysis of charge in the year		
Current tax:		
UK corporation tax at 19% (2021 19%)	8,010	4,921
Adjustments in respect of prior periods	(198)	-
Total current tax	7,812	4,921
Total tax	7,812	4,921
(b) Factors affecting current tax		
Profit before tax	24,982	14,988
Profit multiplied by UK corporation tax rate of 19% (2021: 19%)	4,729	2,848
Effects of:		
LLP profit allocated	3,281	2,073
Adjustments in respect of prior periods	(198)	-
Total Taxation	7,812	4,921

8 INVESTMENTS

The Company's investment in subsidiary undertakings represents its interest as a Corporate Member of Liontrust Investment Partners LLP.

	31-Mar-22 £'000	31-Mar-21 £'000
Balance at 1 April	14,574	14,574
Additions during the year	-	-
Balance at 31 March	14,574	14,574

LIONTRUST INVESTMENT SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

9 TRADE AND OTHER PAYABLES

	31-Mar-22 £'000	31-Mar-21 £'000
Other payables	11	12
Amounts owed to Group undertakings	3,584	2,556
	<u>3,595</u>	<u>2,568</u>

All financial liabilities listed above are non-interest bearing and are due within 1 year. The carrying amount of these non-interest-bearing trade and other payables approximates their fair value. Amounts due to group entities are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

10 ORDINARY SHARES

	31-Mar-22 £'000	31-Mar-21 £'000
Authorised		
Equity		
183,727,850 Ordinary Shares of 5 pence each (2021: 183,727,850)	<u>9,187</u>	<u>9,187</u>
Allotted, issued and fully paid		
Equity		
183,727,850 Ordinary Shares of 5 pence each (2021: 183,727,850)	<u>9,187</u>	<u>9,187</u>

11 RELATED UNDERTAKINGS

The Companies Act 2006 requires disclosure of certain information about the Company's related undertakings which is set out in this note. Related undertakings comprise subsidiaries, joint ventures, associates and other significant holdings. Significant holdings are where the Company either has a shareholding greater than or equal to 20% of the nominal value of any share class, or a book value greater than 20% of the Company's assets.

The direct related undertakings of the Company as at 31 March 2022 are listed below.

Name of undertaking	Country of incorporation	% held
Liontrust Investment Partners LLP*	UK	100

*Address: 2 Savoy Court, London, WC2R 0EZ

LIONTRUST INVESTMENT SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

12 PARENT UNDERTAKING

The Company is a wholly owned subsidiary undertaking of Liontrust Asset Management PLC and therefore exempt from preparing consolidated financial statements.

Copies of Liontrust Asset Management PLC's consolidated financial statements may be obtained from 2 Savoy Court, London, WC2R 0EZ.

13 POST BALANCE SHEET DATE EVENT

There were no post balance sheet date events.