

BNY Mellon International Asset Management Group Limited

Strategic report, Directors' report and financial statements

Registered number 3755033

31 December 2016

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BNY Mellon International Asset Management Group Limited

Contents

Board of Directors and other information	1
Strategic report	2 - 3
Directors' report	4 - 6
Statement of directors' responsibilities	7
Independent auditor's report	8
Statement of profit and loss and other comprehensive income	9
Balance Sheet	10
Statement of changes in equity	11
Notes to the financial statements	12 - 22

BNY Mellon International Asset Management Group Limited

Board of Directors and other information

Directors

G A Brisk (Chair)

D J Peace

S S Sumal

Secretary

BNY Mellon Secretaries (UK) Limited

160 Queen Victoria Street

London

EC4V 4LA

Auditor

KPMG LLP

Chartered accountants

15 Canada Square

London

E14 5GL

Registered Office

BNY Mellon Centre

160 Queen Victoria Street

London

EC4V 4LA

Registered Number

3755033

BNY Mellon International Asset Management Group Limited

Strategic report

In accordance with Section 414A(1) of the Companies Act 2006, we have prepared the Strategic report which includes a review of BNY Mellon International Asset Management Group Limited ("the Company") business and future developments, a description of the principal risks and uncertainties facing the Company and key performance indicators.

Business review

The Company has continued to operate profitably and there have been no significant changes in the Company's core operations during the year.

Management have conducted an impairment assessment of the carrying value of the investments based on the net asset values of the subsidiaries and have concluded that no impairments exist at the balance sheet date.

Financial key performance indicators

The Company's key financial and other performance indicators during the year were as follows:

	2016	2015	Change	Change
	£000	£000	£000	%
Income from shares in Group undertakings	77,000	114,500	(37,500)	(33)%
Administrative expenses	2,273	81	2,192	2,706%
Net assets	1,491,223	1,493,305	(2,082)	(0.1)%

Income from shares in Group undertakings decreased by £37,500,000 during the year, reflecting lower levels of dividends declared and paid from the Company's underlying subsidiaries.

Administrative expenses increased by £2,192,000 (2,706%) during the year due to the write-off of an aged balance.

Net assets decreased by £2,082,000 during the year due to higher administrative expenses for the year driven by the write-off of an aged balance.

Principal risks and uncertainties

The principal risks and uncertainties affecting the business have been considered and addressed in the Directors' report on pages 4 to 5.

Business and future developments

The directors believe that the nature of the business of the Company will continue for the foreseeable future.

BNY Mellon International Asset Management Group Limited

Strategic report - continued

Approval

By order of the Board

G A Brisk
Director

A handwritten signature in black ink, appearing to read 'G A Brisk', is written over the printed name and title.

BNY Mellon International Asset Management Group Limited
BNY Mellon Centre
160 Queen Victoria Street
London
EC4V 4LA

8 August 2017

Registered number: 3755033

BNY Mellon International Asset Management Group Limited

Directors' report

The directors present their report and financial statements for the year ended 31 December 2016.

Principal activity

The principal activity of the Company is to act as a holding company for the UK-based asset management operations of The Bank of New York Mellon Corporation ("the Group").

Results and dividends

The profit for the year after taxation amounted to £74,918,000 (2015: £114,937,000).

Interim dividends paid during the year amounted to £77,000,000 (2015: £114,500,000). The directors do not recommend a final dividend for the year ended 31 December 2016 (2015: £nil).

Risk management

As a holding company, the Company is subject to the principal risks and uncertainties of its main operating subsidiaries, whose business is described in note 9.

Governance and policies

Policies and procedures are in place both across the BNY Mellon Corporation and within the Company's operating subsidiaries to govern and manage the business. Suitable policies and procedures exist in order to ensure an appropriate level of risk management is directed at the relevant element of the business.

The key risks of the Company are monitored through direct monitoring of the Company's operating subsidiaries, the results of which are reported to the directors, the parent company Board and key local governance committees.

Governance of the Company is the ultimate responsibility of the Board of Directors. The Board is responsible for the ongoing success and development of the Company's business. Management of and oversight over the Company's subsidiaries is exercised by their respective boards which in turn are integrated into BNY Mellon's global governance structures.

Risk management process

The Company's operating subsidiaries are responsible for actively identifying their risks associated with key business processes, business change or external threats, identifying and assessing the quality of controls in place to mitigate risk and assigning accountability for the effectiveness of those controls. The objective of this detailed self-assessment is to prevent or minimise:

- Errors or service delivery failures
- Financial losses
- Compliance breaches
- Reputational damage

The Company's subsidiaries utilise the BNY Mellon Operational Risk Platform to achieve the above. The platform is used to maintain risk and control self-assessments, high level assessments, key risk indicators and tracking of operational risk events. Risk Management works in partnership with the business to ensure that there is adequate understanding and assessment of, and accountability for, all risks that relate to the Company.

BNY Mellon International Asset Management Group Limited

Directors' report - continued

Risk management process - continued

The risk appetite at Bank of New York Mellon Corporation group level is set and owned by the BNY Mellon Board of Directors, giving the overall strategy and willingness to take on risk at a global level. The Company's risk appetite is commensurate with local business requirements, within the guidance set by the Group and in coordination with the relevant business expertise.

Pillar 3 risk disclosures

CRR Pillar 3 disclosures about the Company (capital and risk management) are covered by the BNY Mellon Investment Management (Europe) Holdings Limited group disclosures which can be found on the group website (<http://www.bnymellon.com/investorrelations/filings/index.html>).

Directors

The director who served during the year and up to the date of the report were as follows:

	Appointed	Resignation
G A Brisk	-	-
M E Harris	-	15 July 2016
D J Peace	15 July 2016	-
S S Sumal	-	-

Directors' indemnity provision

The articles of association of the Company provide that in certain circumstances the director are entitled to be indemnified out of the assets of the Company against claims from third parties in respect of certain liabilities arising in connection with the performance of their functions, in accordance with the provisions of the Companies Act 2006. Indemnity provisions of this nature have been in place during the year but have not been utilised by the director (2015: none).

Disclosure of information to auditor

The director 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 he or she ought to have taken as a director to make himself or herself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Auditor

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

BNY Mellon International Asset Management Group Limited

Directors' report - continued

By order of the Board

G A Brisk
Director



BNY Mellon International Asset Management Group Limited
BNY Mellon Centre
160 Queen Victoria Street
London
EC4V 4LA

8 August 2017

Registered number: 3755033

BNY Mellon International Asset Management Group Limited

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

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

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

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 applicable UK Accounting Standards have been followed, including FRS 101, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They 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.

Independent auditor's report to the members of BNY Mellon International Asset Management Group Limited

We have audited the financial statements of BNY Mellon International Asset Management Group Limited for the year ended 31 December 2016 set out on pages 9 to 22. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice), including FRS 101.

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.

Respective responsibilities of directors and auditor

As explained more fully in the Statement of directors' responsibilities set out on page 7, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit, and express an opinion on, the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2016 and of its profit for the year then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the Strategic report and the Directors' report for the financial year are consistent with the financial statements.

Based solely on the work required to be undertaken in the course of the audit of the financial statements and from reading the Strategic report and the Directors' report:

- we have not identified material misstatements in those reports; and
- in our opinion, those reports have been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

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



Neil Palmer (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
15 Canada Square
London, E14 5GL

15 August 2017

BNY Mellon International Asset Management Group Limited

Statement of profit and loss and other comprehensive income for the year ended 31 December 2016

		2016	2015
	Note	£000	£000
Administrative expenses	2	(2,273)	(81)
Operating loss		(2,273)	(81)
Income from shares in Group undertakings	4	77,000	114,500
Net gain on current asset investment	5	-	33
Interest receivable and similar income	6	199	515
Interest payable and similar charges	7	(8)	-
Profit before taxation		74,918	114,967
Taxation on profit	8	-	(30)
Total income for the year		74,918	114,937

Notes 1 to 14 are integral to these financial statements.

All items dealt with in arriving at the Company's results for the financial year and prior year relate to continuing operations.

The Company has not prepared a separate statement of other comprehensive income as all the income and losses are reflected in the statement of profit and loss.

BNY Mellon International Asset Management Group Limited

Balance Sheet

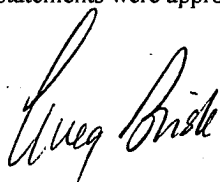
at 31 December 2016

	Note	2016 £000	2015 £000
Fixed assets			
Fixed asset investment	9	1,412,127	1,411,675
Current assets			
Debtors	10	9	7,839
Cash at bank and in hand	11	79,116	73,821
		79,125	81,660
Creditors: amounts falling due within one year	12	(29)	(30)
Net current assets		79,096	81,630
 Total assets less current liabilities		 1,491,223	 1,493,305
Net assets		1,491,223	1,493,305
 Capital and reserves			
Called up share capital	13	1,078,468	1,078,468
Share premium		20,587	20,587
Profit and loss account		392,168	394,250
Shareholders' funds		1,491,223	1,493,305

Notes 1 to 14 are integral to these financial statements.

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

G A Brisk
Director



8 August 2017

Company registered number: 3755033

BNY Mellon International Asset Management Group Limited

Statement of changes in equity

31 December 2016

	Called up share capital £000	Share premium account £000	Profit and loss account £000	Total equity £000
Balance at 1 January 2015	1,078,468	20,587	393,813	1,492,868
Total income for the year	-	-	114,937	114,937
Dividends	-	-	(114,500)	(114,500)
Balance at 31 December 2015	1,078,468	20,587	394,250	1,493,305

	Called up share capital £000	Share premium account £000	Profit and loss account £000	Total equity £000
Balance at 1 January 2016	1,078,468	20,587	394,250	1,493,305
Total income for the year	-	-	74,918	74,918
Dividends	-	-	(77,000)	(77,000)
Balance at 31 December 2016	1,078,468	20,587	392,168	1,491,223

Included within the profit and loss account above is a non distributable reserves amount of £391,000 (2015: £391,000).

BNY Mellon International Asset Management Group Limited

Notes to the financial statements for the year ended 31 December 2016

1 Accounting policies

1.1 Basis of preparation and statement of compliance with FRS 101

The Company is a private company incorporated and domiciled in the UK.

These financial statements were prepared in accordance with FRS 101.

The Company's ultimate parent undertaking, The Bank of New York Mellon Corporation includes the Company and all its subsidiary undertakings in its consolidated financial statements. The consolidated financial statements of The Bank of New York Mellon Corporation are prepared in accordance with U.S. Generally Accepted Accounting Principles, which are *equivalent* to Adopted IFRS. The Bank of New York Mellon Corporation's consolidated financial statements are available at www.bnymellon.com/investorrelations/annualreport/index.html. Accordingly the Company is a *qualifying entity* for the purpose of FRS 101 disclosure exemptions.

Therefore, in preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the EU ("Adopted IFRSs"), but makes amendments where necessary in order to comply with Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

In these financial statements, the Company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- A Cash Flow Statement and related notes;
- Comparative period reconciliations for share capital and fixed asset investments;
- Disclosures in respect of transactions with wholly owned subsidiaries;
- Disclosure in respect of capital management; and
- The effects of new but not yet effective IFRSs.

As the consolidated financial statements of The Bank of New York Mellon Corporation include equivalent disclosures, the Company has also taken the exemptions under FRS 101 available in respect of the following disclosures:

- Certain disclosures required by IAS 36 *Impairment of assets*;
- Certain disclosures required by IFRS 13 Fair Value Measurement and the disclosures required by IFRS 7 *Financial Instrument Disclosures*; and

The following standards are not yet effective, and are not expected to have a material impact on these financial statements:

- IFRS 9 *Financial Instruments*, the Company is currently assessing the potential impact of the standard as part of its IFRS 9 project, initiated in 2016 and plans to adopt the new standard when mandatorily effective for annual periods beginning on or after 1 January 2018. Analysis of the application of the classification and measurement requirements of the standard was completed in 2016. Overall, the results show no impact from those requirements on the measurement of in-scope financial instruments for the Company. An IFRS 9 impairment project is currently being implemented. Preliminary analysis of the application of IFRS 9 to the Company has identified no significant impact from the new impairment model.

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

BNY Mellon International Asset Management Group Limited

Notes to the financial statements for the year ended 31 December 2016

1 Accounting policies - continued

1.1 Basis of preparation and statement of compliance with FRS 101 - continued

Judgements made by the director, in the application of these accounting policies that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are discussed in note 1.11.

1.2 Measurement convention

These financial statements are prepared on the historical cost basis except that the following assets and liabilities are stated at their fair value: financial instruments classified as fair value through the profit or loss or as available-for-sale. Non-current assets and disposal groups held for sale are stated at the lower of previous carrying amount and fair value less costs to sell.

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 pages 2 to 3. In addition, the Directors' report on pages 4 to 6 includes the Company's objectives, policies and processes for managing its capital, its financial risk management objective and its exposures to credit and liquidity risk.

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

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

1.4 Related party transactions

As the Company is a wholly owned indirect subsidiary of the ultimate parent company, The Bank of New York Mellon Corporation, it has taken advantage of the exemption contained in IAS 24 and has therefore not disclosed transactions with entities which form part of the Group. Balances with other members of the Group are disclosed within notes 4, 6, 9, 10 and 11.

1.5 Interest receivable and interest payable

Interest payable and similar charges include interest payable, finance charges on shares classified as liabilities and finance leases recognised in the statement of profit and loss and other comprehensive income using the effective interest rate method, unwinding of the discount on provisions, and net foreign exchange gains or losses that are recognised in the statement of profit and loss and other comprehensive income (see foreign currency accounting policy). Borrowing costs that are directly attributable to the acquisition, construction or production of an asset that takes a substantial time to be prepared for use, are capitalised as part of the cost of that asset. Interest receivable and similar income includes interest receivable on funds invested and net foreign exchange gains.

Interest income and interest payable is recognised in the statement of profit and loss and other comprehensive income as it accrues, using the effective interest rate method.

BNY Mellon International Asset Management Group Limited

Notes to the financial statements for the year ended 31 December 2016

1 Accounting policies - continued

1.6 Dividends

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

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

1.7 Taxation

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

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

1.8 Foreign currency

The Company's functional currency is GBP. The Company's presentational currency is also GBP. Transactions in foreign currencies are recorded in the functional currency at the rate of exchange prevailing on the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the rate of exchange ruling at the balance sheet date. Any resulting exchange differences are reported net in the statement of profit and loss and other comprehensive income within interest receivable and similar income, including for differences arising on the retranslation of qualifying cash flow hedges.

Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are retranslated to the functional currency at foreign exchange rates ruling at the dates the fair value was determined. Any resulting exchange differences are reported net in the statement of profit and loss and other comprehensive income within interest receivable or payable as appropriate.

1.9 Investments in subsidiaries

Investments in subsidiaries are carried at cost less impairment.

1.10 Impairment of fixed assets

The carrying amounts of the Company's assets are assessed annually for impairment when events or changes in circumstances indicate that the carrying amount of the fixed assets may not be recoverable. If any such indication exists, the asset's recoverable amount is estimated.

An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. Impairment losses are recognised in the profit and loss and other comprehensive income.

BNY Mellon International Asset Management Group Limited

Notes to the financial statements for the year ended 31 December 2016

1 Accounting policies - continued

1.11 Accounting estimates and judgements

In preparing these financial statements, management has made judgements, estimates and assumptions about future conditions that affect the application of the Company's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

Management believes that the Company's critical accounting policies for which judgement is necessarily applied are those which relate to impairment of investment in subsidiaries.

2 Expenses and auditor's remuneration

Profit before taxation is stated after charging:

Auditor's remuneration:

	2016	2015
	£000	£000
Amounts receivable by the Company's auditor and its associates in respect of:		
Audit of these financial statements pursuant to legislation	20	20

3 Directors' remuneration

The aggregate amount of remuneration paid to or receivable by directors in respect of qualifying services is disclosed below. Qualifying services include services as a director of the Company, as a director of any of its subsidiary undertakings or otherwise in connection with the management of the affairs of the Company or any of its subsidiary undertakings. The amounts are disclosed irrespective of which BNY Mellon Group company actually makes the payment to the directors. Previously, only remuneration paid by this Company had been included in the disclosure. The comparatives have therefore been amended.

	2016	2015
	£000	£000
Directors' emoluments	98	405
Amounts receivable under long term incentive schemes	72	96
Company contributions to money purchase pension plans	-	15
Company contributions to defined benefit pension plans	5	3
Compensation for loss of office	-	25
	175	544

The aggregate of emoluments and amounts receivable under long term incentive schemes of the highest paid director was £109,110 (2015: £308,355), and Company pension contributions of £ 179 (2015: £14,167) were made to a money purchase scheme on their behalf. During the year, the highest paid director received shares under a long term incentive scheme.

BNY Mellon International Asset Management Group Limited

Notes to the financial statements for the year ended 31 December 2016

3 Directors' remuneration - continued

	Number of Directors	
	2016	2015
Retirement benefits are accruing to the following number of directors under:		
Money purchase schemes	2	4
Defined benefit schemes	2	3
The number of directors who exercised share options was	1	2
The number of directors in respect of whose services shares were received or receivable under long term incentive schemes was	4	3

4 Income from shares in Group undertakings

	2016	2015
	£000	£000
Income from shares in Group undertakings	<u>77,000</u>	<u>114,500</u>

Income from shares in group undertakings reflects a £24,500,000 (2015: £5,000,000) dividend received from BNY Mellon Investment Management EMEA Limited, £20,000,000 (2015: £15,500,000) from Insight Investment Management Limited, £7,500,000 (2015: £20,000,000) from Newton Management Limited and £25,000,000 (2015: £74,000,000) from BNY Mellon International Asset Management (Holdings) Limited.

5 Net gain on current asset investments

	2016	2015
	£000	£000
Net gain on current asset investments	<u>-</u>	<u>33</u>

6 Interest receivable and similar income

	2016	2015
	£000	£000
Net foreign exchange gain	-	37
Receivable from Group undertaking	170	478
Late settlement and similar income	<u>29</u>	<u>-</u>
Total interest receivable and similar income	<u>199</u>	<u>515</u>

7 Interest payable and similar charges

	2016	2015
	£000	£000
Net foreign exchange loss	<u>8</u>	<u>-</u>

BNY Mellon International Asset Management Group Limited

Notes to the financial statements for the year ended 31 December 2016

8 Taxation

Recognised in the profit and loss account

	2016	2015
	£000	£000
<i>UK corporation tax</i>		
Current tax on income for the year	-	30

Reconciliation of effective tax rate

	2016	2015
	£000	£000
Total income for the year	74,918	114,937
Total tax expense	-	30
Profit excluding taxation	74,918	114,967
Tax using the UK corporation tax rate of 20.00% (2015: 20.25%)	14,984	23,281
Non-deductible expenses	410	(65)
Losses surrendered to Group entities	6	-
Dividend income in the year not taxable	(15,400)	(23,186)
Total tax expense	-	30

Factors that may affect current and total tax charge

Reductions in the UK corporation tax rate from 20% to 19% (effective from 1 April 2017) was enacted on 26 October 2015 and a further reduction to 17% (effective from 1 April 2020) was enacted on 6 September 2016. This will reduce the Company's future tax charge accordingly.

9 Fixed asset investment

	Subsidiaries
	£000
Cost	
At 1 January 2016	1,411,675
Additions	452
At 31 December 2016	1,412,127
Net book value	
At 31 December 2016	1,412,127
At 31 December 2015	1,411,675

Additions in the year related to the purchase of 88,764 (2015: 193) 'B' shares through the Voluntary Employee Participation Scheme (VEP) with Insight Investment Management Limited for £452,000 (2015: £1,000).

BNY Mellon International Asset Management Group Limited

Notes to the financial statements for the year ended 31 December 2016

9 Fixed asset investment - continued

Management have conducted an impairment assessment of the carrying value of the investments based on the net asset values of the subsidiaries and have concluded that no impairments exist at the balance sheet date.

Subsidiaries

The Company has 8 direct subsidiaries (2015: 8) and 18 indirect subsidiaries (2015: 19).

The Company has the following investments in subsidiaries:

	Country of incorporation	Registered office	Principal activity	Class of shares held	Ownership 2016	Ownership 2015
BNY Mellon Investment Management EMEA Limited	England & Wales	BNY Mellon Centre, 160 Queen Victoria Street, London, EC4V 4LA	Investment management	Ordinary £1 shares	100%	100%
Standish Mellon Asset Management (UK) Limited	England & Wales	BNY Mellon Centre, 160 Queen Victoria Street, London, EC4V 4LA	Investment management	Ordinary £1 shares	100%	100%
Insight Investment Management Limited	England & Wales	BNY Mellon Centre, 160 Queen Victoria Street, London, EC4V 4LA	Holding company	Ordinary £1 shares	100%	100%
				'B' Ordinary £0.0001 shares	98%	93%
Newton Management Limited	England & Wales	BNY Mellon Centre, 160 Queen Victoria Street, London, EC4V 4LA	Holding company	Ordinary £1 shares	100%	100%
Mellon Europe Pension (Nominees) Limited	England & Wales	BNY Mellon Centre, 160 Queen Victoria Street, London, EC4V 4LA	Dormant non trading company	Ordinary £1 shares	100%	100%
BNY Mellon International Asset Management (Holdings) Limited	England & Wales	BNY Mellon Centre, 160 Queen Victoria Street, London, EC4V 4LA	Holding company	Ordinary £1 shares	100%	100%
BNY Mellon AM Latin America S.A.	Chile	Av. Vitacura 2939, Piso 10 Las Condes Santiago, 7550011 Chile	Investment management	Ordinary \$100 CLP share	0.16%	0.16%

BNY Mellon International Asset Management Group Limited

Notes to the financial statements for the year ended 31 December 2016

9 Fixed asset investment - continued

Subsidiaries - continued

ARX Investimentos Ltda	Brazil	Av. Borges de Medeiros, 633 4th Floor Leblon 22430-041 Rio de Janeiro, Brazil	Investment management	Ordinary R\$66.16 shares	0.01%	0.01%
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Indirect subsidiaries:

BNY Mellon Investments Switzerland GmbH	Switzerland	BNY Mellon Centre, 160 Queen Victoria Street, London, EC4V 4LA	Investment management	Ordinary CHF1 shares	100%	100%
BNY Mellon Fund Managers Limited	England & Wales	BNY Mellon Centre, 160 Queen Victoria Street, London, EC4V 4LA	Management and administration of unit trust/OEICs	Ordinary £1 shares	100%	100%
BNY MFM Nominees Limited	England & Wales	BNY Mellon Centre, 160 Queen Victoria Street, London, EC4V 4LA	Dormant non-trading company	Ordinary	100%	100%
BNY Mellon Alocacao de Patrimonio Ltda.	Brazil	Avenida Borges De Medeiros 633, Andar 4, Sala 404, Leblon, Rio De Janeiro 22430-041	Investment management	Ordinary R\$8,683.1 shares	0.01 %	0.01%
Newton Investment Management Limited	England & Wales	BNY Mellon Centre, 160 Queen Victoria Street, London, EC4V 4LA	Investment management	Ordinary £1 shares	100%	100%
Newton Investment Management (North America) Limited	England & Wales	BNY Mellon Centre, 160 Queen Victoria Street, London, EC4V 4LA	Investment management	Ordinary £1 shares	100%	100%
Capital House Investments Limited	England & Wales	BNY Mellon Centre 160 Queen Victoria Street London EC4V4LA	Dormant non-trading company	Ordinary £1 shares	-%	100%
Newton Investment Management (North America) LLC	United States of America	The Corporation Trust Company 1209 Orange Street Wilmington, Delaware 19801	Sales & Marketing	N/A	100% of participating interest	100% of participating interest
Insight Investment Management (Global) Limited	England & Wales	BNY Mellon Centre, 160 Queen Victoria Street, London, EC4V 4LA	Investment management	Ordinary £1 shares	100%	100%

BNY Mellon International Asset Management Group Limited

Notes to the financial statements for the year ended 31 December 2016

9 Fixed asset investment - continued

Subsidiaries - continued

Insight Investment Funds Management Limited	England & Wales	BNY Mellon Centre, 160 Queen Victoria Street, London, EC4V 4LA	Investment management	Ordinary £1 shares	100%	100%
Insight Investment Services Limited	England & Wales	BNY Mellon Centre, 160 Queen Victoria Street, London, EC4V 4LA	Service company	Ordinary £1 shares	100%	100%
Pareto Investment Management Limited	England & Wales	BNY Mellon Centre, 160 Queen Victoria Street, London, EC4V 4LA	Investment management	Ordinary £1 shares	100%	100%
Insight Investment Management Australia Pty Limited	Australia	Level 2 1-7 Bligh Street Sydney NSW 2000	Sales & Marketing	Ordinary AU \$1 shares	100%	100%
Insight Consumer Debt Recovery GP I Limited	Guernsey	PO Box 255, Trafalgar Court, Les Banques, St. Peter Port, Guernsey, GY1 3QL, Channel Islands	General partner	Ordinary	100%	100%
Insight Consumer Debt Recovery GP II Limited	Guernsey	PO Box 255 Trafalgar Court, Les Banques, St. Peter Port, Guernsey, GY13QL Channel Islands	General partner	Ordinary	100%	100%
Insight Investment Management (CI) Limited	Guernsey	1st Floor, Tudor House, Le Bordage, St Peter Port, Guernsey, GY1 1DB	Investment management	Ordinary	100%	100%
Valetta Fund Management Limited	Malta	TG Complex, Suite2 Level 3 Brewery street Mriehel Malta	Investment management	Ordinary	-%	40%
BNY Mellon International Asset Management (Holdings) No.1 Limited	England & Wales	BNY Mellon Centre, 160 Queen Victoria Street, London, EC4V 4LA	Holding company	Ordinary £1 shares	100%	100%
Walter Scott & Partners Limited	Scotland	One Charlotte Square, Edinburgh, EH2 4DR	Investment management	Ordinary £1 shares	100%	100%
Insight Investment Management (Ireland) Limited	Ireland	32 Molesworth Street Dublin 2 Ireland	Investment management	Ordinary	100%	-%

BNY Mellon International Asset Management Group Limited

Notes to the financial statements for the year ended 31 December 2016

10 Debtors

	2016	2015
	£000	£000
Amounts owed by Group undertakings	-	4,265
Other debtors	9	3,574
Due within one year	<u>9</u>	<u>7,839</u>

11 Cash at bank and in hand

	2016	2015
	£000	£000
Cash at bank and in hand	<u>79,116</u>	<u>73,821</u>

Cash at bank and in hand represents funds on deposit with a UK regulated banking entity within the BNY Mellon Group.

12 Creditors: amounts falling due within one year

	2016	2015
	£000	£000
Accruals and deferred income	20	20
Other creditors	9	10
	<u>29</u>	<u>30</u>

13 Capital and reserves

Share capital

	2016	2015
	£000	£000
Allotted, called up and fully paid		
973,151,479 (2015: 973,151,479) Ordinary shares of £1 each	999,796	973,152
133,173,485 (2015: 133,173,485) Ordinary shares of \$1 each	45,210	70,548
49,998,944 (2015: 49,998,944) Ordinary shares of €1 each	33,462	34,768
	<u>1,078,468</u>	<u>1,078,468</u>

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.

BNY Mellon International Asset Management Group Limited

Notes to the financial statements for the year ended 31 December 2016

14 Ultimate parent company and parent company of larger group

The immediate parent undertaking of the Company is BNY Mellon Investment Management Europe Holdings Limited, a company registered in England and Wales. BNY Mellon Investment Management Europe Holdings Limited's registered address is 160 Queen Victoria Street, London, EC4V 4LA. Copies of accounts for BNY Mellon Investment Management Europe Holdings Limited can be obtained from the Registrar of Companies, Companies House, Crown Way, Cardiff, CF14 3UZ.

The largest and smallest group in which the results of the Company are consolidated is that headed by The Bank of New York Mellon Corporation, incorporated in the United States of America.

The ultimate parent company as at 31 December 2016 was The Bank of New York Mellon Corporation, incorporated in the United States of America. The consolidated accounts of the ultimate parent company may be obtained from:

The Secretary
The Bank of New York Mellon Corporation
225 Liberty Street
New York, NY
10286
USA