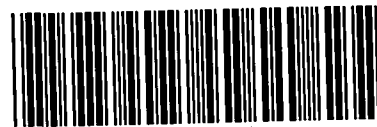


Registered number: 03889608

CIT FINANCIAL SERVICES LIMITED

**ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

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CIT FINANCIAL SERVICES LIMITED
CONTENTS

	Page
Company Information	1
Strategic Report	2 – 4
Directors' Report	5
Directors' Responsibilities Statement	6
Independent Auditor's Report	7 – 9
Profit and Loss Account	10
Balance Sheet	11
Statement of Changes in Equity	12
Notes to the Financial Statements	13 - 17
The following pages do not form part of the statutory financial statements:	
Supplementary Information (Not subject to audit) - MIFIDPRU 8 Disclosure Statement 2023	18 - 20

CIT FINANCIAL SERVICES LIMITED
COMPANY INFORMATION

DIRECTORS	C Johnston T Finch
SECRETARY	C Johnston
COMPANY NUMBER	03889608
REGISTERED OFFICE	50 Jermyn Street London SW1Y 6LX
AUDITOR	MHA Chartered Accountants and Statutory Auditors 7 th Floor, 2 London Wall Place London EC2Y 5A
BANKERS	Barclays Bank PLC Leicester L87 2BB
SOLICITORS	Jones Day 21 Tudor Street London EC4Y 0DJ

**CIT FINANCIAL SERVICES LIMITED
STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2023**

The directors present their strategic report for the year ended 31 March 2023. In preparing this strategic report the Directors have complied with section 414C of the Companies Act 2006.

PRINCIPAL ACTIVITIES

The principal activity of the company is the provision of property investment, development and management services. The company is regulated by the Financial Conduct Authority ("FCA") in respect of the investment business activities that it conducts in the United Kingdom.

The immediate parent of the company is CIT Group Partners LLP, a limited liability partnership which is incorporated in the United Kingdom and registered in England and Wales.

The company's income is dependent upon the ability to fulfil the terms of the service agreements to which the company is a party. Management considers that appropriate monitoring controls are in place to mitigate the risk of non-performance of contractual terms.

PRINCIPAL RISKS AND UNCERTAINTIES

After making detailed enquiries, and based upon current information available to them, the directors believe that the company is well placed to manage its risk successfully.

BUSINESS RISK

The directors have considered the ability of the company to continue its operational activities for the foreseeable future, to generate positive cash flows in due course and to settle liabilities as they fall due. These considerations have been made in light of the performance of the UK real estate sector from which the majority of income will be derived.

The directors have concluded that the company is in a position to continue in operational existence for the foreseeable future, and to settle liabilities as they fall due.

GOING CONCERN

The directors have considered the current and projected future financial position of the company, including its ongoing financial requirements. The company is party to agreements under which income will continue to be earned at current levels for the foreseeable future, being 12 months from the date of approval of these financial statements, despite economic uncertainty.

The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, the directors continue to adopt the going concern basis in the preparation of the annual accounts. Further details regarding the adoption of the going concern basis can be found in note 1.2 to the financial statements.

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The company does not have any financial instruments other than cash and short-term debtors and creditors. Cash balances are held within a major UK bank and earn competitive rates of interest.

The company has exposure to a variety of financial risks which are managed with the purpose of minimising any potential adverse effect on the company's performance. The board has policies for managing each of these risks and they are outlined below.

**CIT FINANCIAL SERVICES LIMITED
STRATEGIC REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2023**

Brexit Risk

Economic and political uncertainties remain around the impact of post-Brexit changes. The Company's profitability is largely linked to the performance of the London property market which could be negatively impacted by the eventual outcome, reducing the value of the Company's investment property over the next few years. Any decrease in the profitability of the Company in the next 12 months is not expected to impact the long term strategy of the Company.

Market Risk

The company operates primarily in the UK property market. This market presents the company with further real estate opportunities, whilst strengthening the security of income streams.

The risk that rental levels and the value of properties may fall is mitigated by a rigorous investment appraisal process and the experience within the CIT Group Partners LLP's asset management team.

Liquidity Risk

The company is funded by equity. Management considers that this provides the necessary resources to operate the business as desired. The company maintains sufficient cash and liquid resources to meet its obligations. The company's liquidity requirements are determined by regular forecasting. Where surplus funds arise, these are generally placed on fixed term deposit.

Interest Rate Risk

The company does not borrow in its own right. This risk is therefore considered low.

Credit Rate Risk

When the company manages investment funds, it is dependent upon receiving the fees due to it. The company is able to substantially mitigate its credit risk as the fees are due from the funds it manages from time to time and it receives payments from CIT Group Partners LLP, its parent entity. This risk is therefore mitigated.

ANALYSIS OF DEVELOPMENT AND PERFORMANCE DURING THE YEAR

Management considers the profit for the year to be a key performance indicator. The profit for the year, after taxation, amounted to £16,094 (2022 - 15,304). Net assets as at 31 March 2023 were £166,567 (2022 - £186,473).

**CIT FINANCIAL SERVICES LIMITED
STRATEGIC REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2023**

FUTURE DEVELOPMENTS AND EVENTS AFTER THE BALANCE SHEET DATE

The income in the company arises from property investment management and related services.

The directors are not aware, at the time of this report, of any other important events occurring since the end of the financial year or of any likely major changes in the activities of the company in the forthcoming financial year.

This report was approved by the board on 24 July 2023 and signed on its behalf.

A handwritten signature in black ink, appearing to read 'Craig Johnston', with a long horizontal flourish extending to the right.

Craig Johnston
Director
50 Jermyn Street
London
SW1Y 6LX

**CIT FINANCIAL SERVICES LIMITED
DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2023**

The directors present their annual report and the audited financial statements for the year ended 31 March 2023. The following items have been dealt with in the strategic report; going concern, financial risk management and objectives, events after the balance sheet date, future developments and principal activities.

DIRECTORS

The directors who served throughout the period until the date of signing the accounts were:

C Johnston
T Finch

RESULTS AND DIVIDENDS

The profit for the period, after taxation, amounted to £16,094 (2022 - £15,304). A dividend of £36,000 was paid in the year (2022 - £30,000).

QUALIFYING THIRD PARTY INDEMNITY PROVISIONS

The company has made qualifying third party indemnity provisions for the benefit of its directors which were made during the year and remain in force at the date of this report.

PROVISION OF INFORMATION TO AUDITOR

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


- so far as that director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- the director has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information 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.

AUDITOR

Following a rebranding exercise on 15 May 2023 the trading name of the company's independent auditor changed from MHA MacIntyre Hudson to MHA. A resolution to reappoint MHA as independent auditor will be proposed in accordance with Section 485 of the Companies Act 2006 at the next Annual General Meeting.

The report was approved by the board on 24 July 2023 and signed on its behalf.



C Johnston
Director
50 Jermyn Street
London
SW1Y 6LX

**CIT FINANCIAL SERVICES LIMITED
DIRECTORS' RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 31 MARCH 2023**

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 Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 102 "the Financial Reporting Standard applicable in the UK and republic of Ireland". Under company law the directors must not approve the financial statements unless they are satisfied that they give 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 judgments and estimates that are reasonable and prudent; 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 to 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.

CIT FINANCIAL SERVICES LIMITED
INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF CIT FINANCIAL SERVICES LIMITED

Opinion

We have audited the financial statements of CIT Financial Services Limited (the 'company') for the year ended 31 March 2023, which comprise the Profit and Loss account, the Balance Sheet, the Statement of Changes in Equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2023 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; 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 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.

CIT FINANCIAL SERVICES LIMITED
INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF CIT FINANCIAL SERVICES LIMITED (continued)

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.

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 Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and Directors' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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.

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

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

Responsibilities of directors

As explained more fully in the 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.

CIT FINANCIAL SERVICES LIMITED
INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF CIT FINANCIAL SERVICES 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.

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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

- Performing audit work over the risk of management override, including testing of journal entries and other adjustments for appropriateness.
- Reviewing minutes of meetings of those charged with governance.
- Reviewing financial statement disclosures and testing supporting documentation to assess compliance with applicable laws and regulations.
- Enquiry with management around potential litigation and claims.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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.

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.



Tasneem Bharmal FCCA (Senior Statutory Auditor)

For and on behalf of MHA (Statutory Auditors)

London

United Kingdom

25 July 2023

MHA is the trading name of MacIntyre Hudson LLP, a limited liability partnership in England and Wales (registered number OC312313)

CIT FINANCIAL SERVICES LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2023

	Notes	Year ended 31 March 2023 £	Year ended 31 March 2022 £
TURNOVER	3	119,213	113,367
Administrative expenses		<u>(99,344)</u>	<u>(94,473)</u>
OPERATING PROFIT	4	19,869	18,894
Interest receivable and similar income		<u>-</u>	<u>-</u>
PROFIT BEFORE TAXATION		19,869	18,894
Tax on profit	6	<u>(3,775)</u>	<u>(3,590)</u>
PROFIT FOR THE YEAR		<u>16,094</u>	<u>15,304</u>

All amounts relate to continuing operations.

There was no other income for 2023 or 2022 other than that included in the Profit and Loss Account, consequently, a Statement of Comprehensive Income has not been prepared.

The notes on pages 13 to 17 form part of these financial statements.

CIT FINANCIAL SERVICES LIMITED

Registered Number: 03889608

**BALANCE SHEET
AS AT 31 MARCH 2023**

		31 March 2023		31 March 2022	
	Notes	£	£	£	£
CURRENT ASSETS					
Debtors: amounts falling due within one year	7	20,672	-	-	-
Cash at bank and in hand		<u>179,857</u>	<u>209,430</u>		
		200,529	209,430		
CREDITORS: amounts falling due within one year					
	8	<u>(33,962)</u>	<u>(22,957)</u>		
NET CURRENT ASSETS		<u>166,567</u>	<u>186,473</u>		
NET ASSETS		<u>166,567</u>	<u>186,473</u>		
CAPITAL AND RESERVES					
Called up share capital	9	100,000	100,000		
Profit and loss account	9	<u>66,567</u>	<u>86,473</u>		
SHAREHOLDERS' FUNDS		<u>166,567</u>	<u>186,473</u>		

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 24 July 2023.



Craig Johnston
Director

The notes on pages 13 to 17 form part of these financial statements.

CIT FINANCIAL SERVICES LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2023

	Called up share capital £	Profit and loss account £	Total £
At 1 April 2021	100,000	101,169	201,169
Profit for the financial year	-	15,304	15,304
Dividends Paid	-	(30,000)	(30,000)
Total comprehensive income	100,000	86,473	186,473
At 1 April 2022	100,000	86,473	186,473
Profit for the financial year	-	16,094	16,094
Dividends Paid	-	(36,000)	(36,000)
Total comprehensive income	100,000	66,567	166,567
At 31 March 2023	100,000	66,567	166,567

The notes on pages 13 to 17 form part of these financial statements.

CIT FINANCIAL SERVICES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

1. ACCOUNTING POLICIES

The principal accounting policies are summarised below. They have all been applied consistently throughout the year and the preceding year.

1.1. General information and basis of preparation of financial statements

CIT Financial Services Limited is a private company limited by shares and is both incorporated and registered in England and Wales in the United Kingdom under the Companies Act. The address of the registered office is given on page 1. The nature of the company's operations and its principal activities are set out in the strategic report on page 2.

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council, which has been consistently applied in the current and preceding year.

The functional currency of CIT Financial Services Limited is considered to be pounds sterling because that is the currency of the primary economic environment in which the Company operates. The financial statements are rounded to the nearest £1.

1.2. Going concern

The company has sufficient resources to continue its operational activities. The company has a financial arrangement in place with its parent entity, CIT Group Partners LLP. As a consequence, the directors believe that the company is well placed to manage its business risks successfully despite the current uncertain economic outlook.

The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in the preparation of the annual accounts.

1.3. Turnover

Turnover comprises revenue recognised by the company in respect of services supplied during the year, exclusive of Value Added Tax and trade discounts.

Revenue is recognised when earned.

1.4. Taxation

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using tax rates enacted and laws that have been enacted or substantively enacted by the balance sheet date.

1.5. Foreign currencies

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date.

Exchange differences are recognised in the profit or loss in the period in which they arise except for exchange differences arising on gains or losses on non-monetary items which are recognised in other comprehensive income.

CIT FINANCIAL SERVICES LIMITED
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MARCH 2023

1. ACCOUNTING POLICIES (continued)

1.6. Financial Instruments

Recognition

Financial assets are recognised on the Company's financial position when the company becomes party to the contractual provisions of the instruments on a trade date basis.

Financial assets

Loans and receivables

Loans and 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, except for maturities greater than 12 months after end of the reporting period. These are classified as non-current assets.

Financial instruments are recognised initially when the Company becomes a party to the contractual provisions of the instruments. The Company classifies financial instruments, or their component parts, on initial recognition as a financial asset, a financial liability or an equity instrument in accordance with the substance of the contractual arrangement.

For financial instruments which are not at fair value through the profit or loss, transaction costs are included in the initial measurement of the instrument. Loans and receivables are subsequently measured at amortised cost, using the effective interest method, less accumulated impairment losses.

At each reporting date the Company assesses all financial assets, other than those at the fair value through profit or loss, to determine whether there is objective evidence that a financial asset or group of financial assets has been impaired. Any impairment is recognised in profit or loss.

Cash and cash equivalents

Cash and cash equivalents include cash on hand and deposits held at call with banks. These are initially and subsequently recorded at fair value.

Financial liabilities

Trade and other payables

Trade payables are recognised initially at fair value and are subsequently measured at amortised cost, using the effective interest rate method.

1.7. Cash flow Statement/related party transactions/key management personnel compensation/disclosure of financial instruments

Under the provisions of Financial Reporting Standard 102, the company meets the definition of a qualifying entity and has taken advantage of exemptions available from the requirements to produce a cash flow statement, detail related party transactions, provide information in relation to key management personnel and disclose financial instruments on the grounds that it is a subsidiary of a parent undertaking which has included the requisite information in its own financial statements. Details of the parent undertaking are given in note 10 on page 17.

CIT FINANCIAL SERVICES LIMITED
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MARCH 2023

2. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the company's accounting policies, which are described in note 1, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of revision and future periods if the revision affects both current and future periods.

The directors do not consider there to be any critical accounting judgements or key sources of estimation uncertainty in the preparation of the financial statements.

3. TURNOVER

Geographical segmental analysis of turnover by destination:

	2023	2022
	£	£
UK	119,213	113,367
	119,213	113,367

4. OPERATING PROFIT

The operating profit is stated after:

	2023	2022
	£	£
Auditors remuneration:		
Fees payable to the company's auditor for the audit of the company's annual accounts	6,162	5,102
Total audit fees	6,162	5,102
Non-audit fees – audit related assurance services	6,162	5,306
Total non-audit fees	6,162	5,306

5. STAFF COSTS

During the year the company had no employees (2022 – none). The directors did not receive remuneration for their services to the company during the year (2022 – £nil).

CIT FINANCIAL SERVICES LIMITED
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MARCH 2023

6. TAX ON PROFIT

	2023 £	2022 £
Analysis of tax charge in the year		
UK corporation tax charge on profit for the year	<u>3,775</u>	<u>3,590</u>
Tax charge on profit	<u>3,775</u>	<u>3,590</u>

Factors affecting tax charge for the year

The tax assessed for the year is 19% (2022 - 19%), which is the standard rate of corporation tax in the UK.

Profit before tax	<u>19,869</u>	<u>18,894</u>
Profit multiplied by standard rate of corporation tax in the UK of 19% (2022 - 19%)	<u>3,775</u>	<u>3,590</u>
Total tax charge for the year (see note above)	<u>3,775</u>	<u>3,590</u>

A current tax rate of 19% has been applied to the year ended 31 March 2023. From 1 April 2023, the corporation tax main rate increased to 25% applying to profits over £250,000. A small profits rate of 19% will apply to companies with profits of £50,000 or less. Companies with profits between £50,000 and £250,000 will pay tax at the main rate reduced by a marginal relief.

7. DEBTORS: amounts falling due within one year

	2023 £	2022 £
Amounts owed by Group undertakings	12,535	-
Prepayments and accrued income	3,205	-
VAT recoverable	<u>4,932</u>	<u>-</u>
	<u>20,672</u>	<u>-</u>

Amounts owed by Group undertakings are repayable on demand. There is no interest charged on the balance.

8. CREDITORS: amounts falling due within one year

	2023 £	2022 £
Trade creditors	15,193	-
Amounts owed to Group undertakings	-	6,244
Corporation tax	2,110	1,691
Accruals and deferred income	<u>16,659</u>	<u>15,022</u>
	<u>33,962</u>	<u>22,957</u>

Amounts owed to Group undertakings are repayable on demand. There is no interest charged on the balance.

CIT FINANCIAL SERVICES LIMITED
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MARCH 2023

9. CALLED UP SHARE CAPITAL AND RESERVES

	2023	2022
	£	£
Authorised, allotted, called up and fully paid		
100,000 Ordinary shares of £1	100,000	100,000
	<hr/>	<hr/>

The company has one class of ordinary shares which carry no right to fixed income.

The profit and loss account represents cumulative profits or losses, net of dividends paid.

10. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

In the opinion of the directors, the immediate parent undertaking is CIT Group Partners LLP, a limited liability partnership which is incorporated in the United Kingdom and registered in England and Wales (50 Jermyn Street, London, SW1Y 6LX). The ultimate parent company is CIT Holdings Limited, a company incorporated in the Bahamas and registered in England and Wales (50 Jermyn Street, London, SW1Y 6LX). The ultimate controlling party is John Barroll Brown, as a result of his control in CIT Holdings Limited.

CIT Group Partners LLP is the parent entity of the smallest group which includes the company and for which group accounts are prepared. The consolidated financial statements of CIT Group Partners LLP are available from its registered office at 50 Jermyn Street, London, SW1Y 6LX.

CIT Group Limited is the parent company of the largest group which includes the company and there is a set of consolidated accounts at CIT Group Limited level. The consolidated accounts of CIT Group Limited are available from the Company Secretary, CIT Group Limited, 50 Jermyn Street, London SW1Y 6LX.

CIT FINANCIAL SERVICES LIMITED

SUPPLEMENTARY INFORMATION (Not subject to audit)

MIFIDPRU 8 DISCLOSURE STATEMENT 2023

The following disclosure is made by CIT Financial Services Limited ("CITFSL") pursuant to the Financial Conduct Authority's ("FCA") Prudential Sourcebook for MiFID Investment Firms ("MIFIDPRU") in respect of the financial year ended 31st March 2023.

CITFSL is authorised and regulated by the FCA in the UK as a Collective Portfolio Management Investment ("CPMI") firm, and is therefore subject to the FCA's Prudential Sourcebook for MiFID Investment Firms ("MIFIDPRU"). CITFSL meets all the criteria for small and non-interconnected ("SNI") investment firms, detailed in MIFIDPRU 1.2, and, so, is categorised as an 'SNI investment firm'.

As an 'SNI investment firm' authorised and regulated by the FCA, CITFSL is required under Chapter 8 of MIFIDPRU to publish key information in order to assist users of its accounts and to encourage market discipline. In accordance with MIFIDPRU 8.1, as an 'SNI investment firm' the information which CITFSL is required to publish is limited to information relating to its remuneration policies and practices (per MIFIDPRU 8.6).

This disclosure has been prepared by CITFSL in accordance with the requirements of MIFIDPRU 8 and has been approved by the directors of CITFSL. Unless otherwise stated, all disclosures pertain to the financial year ended 31st March 2023 and are seen as complimentary to CITFSL's published financial statements for that period, its implementation of other MIFIDPRU rules, and its internal capital adequacy and risk assessment ("ICARA") process. CITFSL's MIFIDPRU disclosures are published at the rear of its audited annual accounts.

REMUNERATION POLICY AND PRACTICES

As an 'SNI investment firm', CITFSL is subject to the "basic" requirements of the MIFIDPRU Remuneration Code set out in SYSC 19.G of the FCA's Handbook. MIFIDPRU 8.6 of the FCA's Handbook requires CITFSL to disclose certain information on at least an annual basis regarding its Remuneration Policy and related practices for all staff (defined as directors, employees and contractors).

CITFSL's approach to remuneration

The directors of CITFSL are responsible for its Remuneration Policy, which is designed to ensure that its compensation arrangements:

- are consistent with and promote sound and effective risk management;
- do not encourage risk-taking which is inconsistent with the risk profiles of the funds which it manages;
- seek to avoid creating conflicts of interest;
- are in line with its business strategy, objectives, values and long-term interests;
- support positive behaviours and healthy firm cultures; and
- discourage behaviours that can lead to misconduct and poor customer outcomes.

Compensation is based upon consideration of qualitative and quantitative factors, including the performance of the relevant individual and of the business. Variable remuneration is adjusted in line with relevant capital and liquidity requirements.

Objectives of financial incentives

Individuals are rewarded based on their contribution to the CIT Group Partners LLP and affiliates ("CIT Group")'s strategy and CITFSL's role in this. Other factors, such as performance, reliability, effectiveness of controls, business development and contribution to CIT Group generally are also taken into account when assessing the performance of staff.

CIT FINANCIAL SERVICES LIMITED

SUPPLEMENTARY INFORMATION (Not subject to audit) continued

Development of Remuneration Policy and related practices

The governance relating to the development of CITFSL's Remuneration Policy and related practices considers risk management, equality, and conflicts of interest.

- Risk management:
 - setting a clear policy and procedure for assessing variable remuneration including individual, team and firm performance;
 - alignment with CIT Group's business strategy, values and long term-goals and CITFSL's role in this;
 - alignment with the protection of clients, customers and investors;
 - ensuring variable remuneration does not undermine CITFSL's viability, sustainability and its ability to meet its Overall Financial Adequacy Rule (OFAR) and Threshold Conditions; and
 - ensuring that financial and non-financial incentives do not promote excessive risk taking;
- Equality:
 - ensuring that remuneration is not biased by gender, race, ethnic origin, political views, sexual orientation, age, disability or any other discriminatory factors;
- Conflicts of interest:
 - adopting policies and procedures aimed at mitigating any potential conflicts that may arise between CITFSL, and its staff members, clients, customers, investors or investment strategies; and
 - maintaining a Conflict of Interests Register which includes potential conflicts relating to remuneration as well as any procedures implemented to mitigate such conflicts.

Components of remuneration

CITFSL's remuneration components are described below:

Category	Component
Fixed	Base salary
	Pension
	Benefits
Variable	Discretionary annual bonus

The fixed component is set in line with market competitiveness at a level to attract and retain skilled staff. Variable remuneration is paid on a discretionary basis and take into consideration the Firm's financial performance as well as the financial performance of each business unit, and the financial and non-financial performance of the individual in contributing to the Firm's success. All staff members are eligible to receive variable remuneration.

The fixed and variable components of remuneration are appropriately balanced: the fixed component represents a sufficiently high proportion of the total remuneration to enable the operation of a fully flexible policy on variable remuneration. This allows for the possibility of paying no variable remuneration component, which the Firm would do in certain situations, such as where the Firm's profitability performance is constrained, or where there is a risk that the Firm may not be able to meet its capital or liquidity regulatory requirements.

Performance criteria

The CIT Group's Remuneration Policy (of which CITFSL's is part) clearly defines the performance criteria used across the firm, including specific business units, and for individual performance.

CIT FINANCIAL SERVICES LIMITED

SUPPLEMENTARY INFORMATION (Not subject to audit) continued

Remuneration decisions are made based on a combination of:

- long-term sustainability and viability including looking through the business and economic cycles;
- the impact on CITFSL's Overall Financial Adequacy Rule and Threshold Conditions; and
- business performance and results against its strategic objectives.

Remuneration decisions for individuals are made based on a combination of:

- individual performance against the specifications of the role;
- the level of responsibility and seniority;
- comparable market level remuneration;
- overall performance of the relevant business function;
- adherence to the CIT Group's and CITFSL's purpose, values and culture;
- adherence CITFSL's risk management and compliance framework; and
- compliance with the CIT Group's and CITFSL's internal conduct policies and procedures.

Governance and Oversight

The management body is responsible for setting and overseeing the implementation of CITFSL's remuneration policy and practices. In order to fulfil its responsibilities, the management body:

- Is appropriately staffed to enable it to exercise competent and independent judgment on remuneration policies and practices and the incentives created for managing risk, capital and liquidity;
- prepares decisions regarding remuneration, including decisions which have implications for the risk and risk management of the Firm;
- ensures that the remuneration policy and practices take into account the public interest and the long-term interests of shareholders, investors and other stakeholders in the Firm; and
- ensures that the overall remuneration policy is consistent with the business strategy, objectives, values and interests of the Firm and of its clients.

CITFSL's remuneration policy and practices are reviewed annually by the management body.

Quantitative disclosure

Fixed remuneration	Part of fixed remuneration of CIT Group staff	£94,292
Variable remuneration	Part of variable remuneration of CIT Group staff	£6,397

Note The information contained in this disclosure has not been audited by CITFSL's external auditors and does not constitute part of CITFSL's financial statement.