TP ICAP Finance plc

Company number 05807599

Annual Report and Financial Statements

For the year ended 31 December 2022

Management has the day-to-day responsibility for ensuring the Company operates in accordance with its Enterprise Risk Management Framework, which aligns to TP ICAP Group plc risk management framework. Approved policies and procedures to manage key risks are outlined in the Group's Annual Report.

Non-financial information statement
The Directors aim to comply with the Non-financial Reporting requirements contained in sections 414CA and 414CB of the Companies Act 2006. The list below is intended to help stakeholders understand the Company's position on key non-financial matters:

- A description of the Company's principal activities is set out on page 1;
- Information regarding the following matters, including a description of relevant policies, the due diligence process implemented in pursuance of the policies and outcomes of those policies, can be found as follows: environmental and social matters policy are set out in the Group's corporate social responsibility policy. Further details can be found on page 3 & 5 and in the Group Annual Report;
- Description of principal risks and impact of business activity can be found on pages 1 & 2
- Key performance indicators can be found on page 4.

Section 172(1) statement
The Directors provide this statement describing how they have had regard to the matters set out in Section 172(1) of the Companies Act 2006, when performing their duty to promote the success of the Company. Further details on Group's engagement with our key and other stakeholders, as well as how we promote the success of the Group are also contained in the Group Corporate Governance Report in the Group's Annual Report and Accounts. This statement also provides details of how the Directors have engaged with and had regard to the interests of our key stakeholders.

Our stakeholders
The Company believes that effective engagement with our shareholders and wider stakeholder groups is central to the Group's long-term success. During 2022, we maintained our engagement with all our stakeholders. As part of this work, we increased our focus on environmental, social and governance (ESG) matters. During the year, the Company conducted an annual review of its risk and governance framework. The adopted framework has reinforced Section 172(1) oversight by further clarifying divisions of responsibilities within the Group. The structure and format of Board and Committee papers ensure that Section 172(1) considerations are considered in Director's discussion and decision making.

- Group Shareholders
  The Directors believe that engagement with the Group's shareholders is of key importance to the business. At Group level, a tailored engagement approach is undertaken with the Group's shareholders. Further details of the approach taken with the Group's shareholders are included in the Group Annual Report, which does not form part of this report.

- Debt Holders
  The Directors believe that engagement with our lenders is of key importance to the business. During the year, the Directors engaged with the Company's lenders to ensure continuity of the banking facilities upon change of control. Further details of the approach taken with the Company's debt holders are included in the Group Annual Report.

- Suppliers
  The Directors recognise the importance of engagement with our key infrastructure suppliers to monitor performance, manage risk and receive updates on Payment Practices Reporting biannually. In 2023, the Directors will continue to receive regular updates on Payment Practices initiatives regarding suppliers which will further strengthen its oversight of and engagement with suppliers. Key supplier engagement is also carried out at Group level and is discussed in detail in the Group Annual Report which does not form part of this report.

Key decisions
The Company, through its Board of Directors, took the decision in May 2022 to refinance the Company's committed revolving credit facility (see note 14). The facility was increased from £270m to £350m and its maturity extended from December 2023 to May 2025.

Our approach to sustainability

The Directors recognise that TP ICAP's Environmental Social and Governance (ESG) performance is an increasingly important factor in delivering long-term value for our shareholders. To best meet the needs of our stakeholders, which include clients, colleagues, regulators, suppliers, and also the communities in which we operate and the environment, we have set a sustainability strategy that is formed of three priorities: 'ESG Reporting and Performance Management'; 'Supporting our Clients'; and 'Making a Positive Impact'. Throughout 2022, the Group Board monitored the execution of this strategy. Areas of particular focus included climate change-related matters and reviewing the Group's corporate purpose. Details of the Group's sustainability strategy and ESG performance can be found in the Group Annual Report, which does not form part of this report.

Key performance indicators

The performance of the Company is assessed by the Directors in the context of the performance of the Group as a whole, and therefore there are no key performance indicators relating only to the Company. The Company satisfied the conditions underpinning the debt facilities and continues to service its debt in line with management expectations.

The Directors of TP ICAP Group plc manage the Group's operations on a regional basis. For this reason, the Company's Directors believe that further analysis using key performance indicators for the Company is not necessary or appropriate for an understanding of the development, performance or position of the business of the Company. The key performance indicators of the Group, which includes the Company, are discussed in the Annual Report of TP ICAP Group plc, which does not form part of this report.

This report has been approved by the Board of Directors and signed by order of the Board.

R Stewart
Director
30th June 2023
Company number 05807599

Directors' report for the year ended 31 December 2022

The Directors present their report and Financial Statements of the Company, which comprise the Statement of profit or loss, Statement of other comprehensive income, Balance sheet, Statement of changes in equity and the related notes 1-22.

Business review and future developments
Details of the business review and future developments are in the Strategic Report on page 1.

Principal risks and uncertainties
Details of principal risks and uncertainties can be found in the Strategic Report on page 1.

Going Concern
The Directors have a reasonable expectation that the Company and Group have adequate resources to continue in operational existence for the foreseeable future being at least the twelve months from the date of approval of the financial statements, which includes the repayment in January 2024 of £37m relating to the 2024 bond (see Post-balance sheet events in this report on page 6 and note 21). Thus, they continue to adopt the going concern basis in preparing the financial statements. Further detail regarding the adoption of the going concern basis is detailed in note 1, General information and principal accounting policies.

Dividends
During the year ended 31 December 2022, the Directors did not declare a dividend (2021: £2,437 million). No further dividends have been proposed up to the date of signing.

Directors
The following persons were Directors of the Company during the whole of the financial year and up to the date of this report:

N Breteau
P Price
R Stewart

Directors' indemnities
During 2022 and to the date of this report, Directors' and Officers' indemnity insurance covered all the Board members from liabilities arising from the normal course of business. This insurance aims to provide financial protection for the Directors and Officers against the consequences of actual or alleged "wrongful acts" when acting in the scope of their duties.

Section 172(1) statement
The Company has prepared a statement in compliance with Section 172(1) of the Companies Act 2006. Details of this statement can be found in the Strategic Report on pages 1 & 2.

Our purpose and corporate governance
The Company's purpose is aligned with that of our ultimate parent company, which states that "we provide access to global financial and commodities markets, improving price discovery, flow of liquidity and distribution of data, working with and supporting the communities in which we operate and facilitating economic growth".

Like other companies in the TP ICAP Group plc, the Company adopted a governance framework in November 2019 which is set out within the Group's Governance Manual. This document sets out the specific corporate governance requirements for the Company, including:

- the composition of the Board and the individual accountability of senior management;
- clarification on ultimate decision making and delegations;
- the embedding of S172(1) and stakeholder considerations in decision making;
- the responsibility of the Board in setting the right culture;
- how matters are to be escalated and the interactions with other Group committees;
- the division of responsibilities and director roles;
- the conduct of meetings;
- the requirement for Board Risk and Remuneration committees, their membership and their terms of reference;
- the role of TP ICAP Group plc Audit and Nominations & Governance Committees as they relate to the Company;
- the management of conflicts of interest;
- the implications of the Senior Managers and Certification Regime on the Company; and
- expectations on the structure and format of papers and management information made available to the Board in order to drive better decision making.

Environmental policy
The Group recognises it has a responsibility to help protect the environment and respond to the global climate crisis. This means minimising the environmental impact of our operations. Responsibility for environmental matters rests with the Board, and is included in its terms of reference. The Group's Chief Executive Officer is the Board member responsible for corporate social responsibility across the Group. These policies and practices are outlined in the TP ICAP Group plc's Annual Report, which does not form part of this report.

Political contributions
There were no political contributions made by the Company during the year (2021: £Nil).

Post-balance sheet events
On 17 April 2023, the Company partly redeemed the bond due to mature in January 2024 (note 14) with the proceeds of a new bond issue with a maturity date of 17 April 2030. The new bond issue represented £250m of external borrowing with an interest rate of 7.875%. £210m of the 2024 bond was repaid immediately and the remaining £37m will be repaid at maturity.

In respect of the Swiss LIBOR Class Action (see notes 19 and 21), the United States District Court for the Southern District of New York granted preliminary approval of the settlements in May 2023. Pending final approval from the class, which the Company believes to be probable, the Company has paid $2.1m (£1.6m) into escrow having provided for this amount. Separately, consistent with its indemnity obligations to the Company, NEX International Limited (formerly known as ICAP plc) has paid $2.1m (£1.6m) into escrow pending final class approval in order to resolve claims against ICAP Europe Limited, ICAP Securities USA LLC, NEX Group plc and Intercapital Capital Markets LLC.

Independent auditor
The Company's incumbent auditor, Deloitte LLP, have indicated their willingness to continue in office and, in the absence of an Annual General Meeting, are deemed reappointed in the next financial year.

Provision of information to the auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow directors and the Company's auditor, each Director has taken all the steps that they are obliged to take as a director in order to make themselves aware of any relevant audit information and to establish that the 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.

Directors' responsibilities statement

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 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 the profit or loss of the Company for that year.

In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently
- make judgements and accounting estimates that are reasonable and prudent
- state whether FRS 101 'Reduced Disclosure Framework' has been followed, 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 confirm they have complied with all the above requirements in preparing the financial statements.

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

This report is authorised for issue by the Board of Directors

Approved by the Board and signed on its behalf by

R Stewart
Director
30 June 2023
Company number 05807599

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TP ICAP Finance plc

Report on the audit of the financial statements

1. Opinion

In our opinion the financial statements of TP ICAP Finance plc (the 'company'):

- give a true and fair view of the state of the company's affairs as at 31 December 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 101 "Reduced Disclosure Framework"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the statement of profit and loss;
- the statement of comprehensive income;
- the balance sheet;
- the statement of changes in equity;
- the principal accounting policies; and
- the related notes 1 to 22.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

2. 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 as applied to listed public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We confirm that we have not provided any non-audit services prohibited by the FRC's Ethical Standard to the company.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

3. Summary of our audit approach

Key audit matters	We have identified a key audit matter relating to the audit of external interest-bearing loans and borrowings, including their classification between current and non-current liabilities and the related disclosures.
Materiality	The materiality that we used in the current year was £7.8m which was determined on the basis of total liabilities.
Scoping	We have performed a full scope audit of the Company, executed at the determined materiality threshold.
Significant changes in our approach	Consistent with prior year, our key audit matter relates to the audit of external interest-bearing loans and borrowings. There is no significant change in the year in our approach in the current year.

4. 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.

Our evaluation of the directors' assessment of the company's ability to continue to adopt the going concern basis of accounting included:

- Evaluating the directors' assessment in the context of the purpose of the Company as a financing company to the TP ICAP Group;
- Assess the underlying data and key assumptions, including forecast cash inflows from the TP ICAP Group which are structured to match forecast outflows on external debts;
- Performed stress test in relation to key assumptions for the TP ICAP Group, including the potential impact of sanctions and the global economic impact in relation to Russia's invasion of Ukraine;
- Obtained management's stress testing of key assumptions for the TP ICAP Group and evaluated the feasibility of the mitigating actions and the Directors' plans for future actions;
- Assessed the Group's going concern assessment and its ability to repay as payments fall due;
- Obtained an understanding of the covenants associated with the loans through review of the relevant agreement and assessment of the compliance by recalculating the key metrics in conjunction with the going concern model; and
- Assessed the related going concern disclosures in the financial statements.

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.

5. Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified. These matters included those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team.

These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

5.1. External interest-bearing loans and borrowings, including their classification between current and non-current liabilities and the related disclosures

Key audit matter description	As set out in note 14 of the financial statements the Company holds £751m (2021: £750m) of Sterling Notes, measured at amortised cost, and an undrawn £413m (2021: £51m drawn, £283m undrawn) committed revolving credit facility (RCF) as at 31 December 2022. The RCF is subject to debt covenants which reference the consolidated performance of the Group. Interest on the loans accrues using the applicable effective interest method, where debt issuance costs are amortised over the expected life of the liability, and is paid on a semi-annual basis. The external interest-bearing loans and borrowings and the related disclosures are considered to be a key audit matter based on the relative efforts of the engagement team in auditing this area and the importance of the current and non-current classification in assessing the position of the Company. Please refer to page 26 of the financial statements for the interest bearing loans and borrowings accounting policy, in accordance with FRS 101 Reduced Disclosure Framework.
How the scope of our audit responded to the key audit matter	Our audit procedures included: • For all the Sterling Notes and the RCF, we agreed the opening balances to the prior year audited balances and obtained supporting documentation to test the accuracy of loan principal movements such as bond repayment, bond issuance and RCF drawdowns and assessed the valuation of the external loans and borrowings at year end. • We have recalculated the accrued interest and debt issuance costs unwind based on the terms set out in the underlying agreements to test the accuracy and completeness of interest expense. • We assessed the classification between current and non-current within the financial statements and evaluated the disclosure in note 14 is in accordance with FRS 101 Reduced Disclosure Framework and agreed the maturity dates and repayment dates to the underlying agreements.
Key observations	Based on the procedures performed and evidence obtained, we found the valuation and classification between current and non-current, and the related disclosures of external interest-bearing loans and borrowings to be appropriate.

6. Our application of materiality

6.1. Materiality

We define materiality as the magnitude of misstatement in the financial statements that makes it probable that the economic decisions of a reasonably knowledgeable person would be changed or influenced. We use materiality both in planning the scope of our audit work and in evaluating the results of our work.

Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

Materiality	£7.8m (2021: £8.5m)
Basis for determining materiality	1% of total liabilities (2021: 1% of total liabilities)
Rationale for the benchmark applied	As the Company is the financing entity for the TP ICAP Group, we conclude that the Company's total liabilities to be the most relevant benchmark for users of the financial statements and appropriately reflects the nature of the business.

6.2. Performance materiality

We set performance materiality at a level lower than materiality to reduce the probability that, in aggregate, uncorrected and undetected misstatements exceed the materiality for the financial statements as a whole. Performance materiality was set at 70% of materiality for the 2022 audit (2021: 70%). In determining performance materiality, we considered the following factors:

- there is low volume of activity within the business, the transactions in the period consist of mainly financing activities; and
- our past experience of the audit, which has indicated a low number of corrected and uncorrected misstatements identified in prior periods.

6.3. Error reporting threshold

We agreed with the board of directors that we would report to all audit differences in excess of £391k (2021: £423k), as well as differences below that threshold that, in our view, warranted reporting on qualitative grounds. We also report to the directors on disclosure matters that we identified when assessing the overall presentation of the financial statements.

7. An overview of the scope of our audit

7.1. Scoping

Our audit was scoped by obtaining an understanding of the entity and its environment, including internal control, and assessing the risks of material misstatement. The Company has no subsidiary. We have performed a full scope audit of the Company, executed at the level of materiality above.

7.2. Our consideration of the control environment

We obtained an understanding of the entity and its control environment, including the IT environment and key business process.

Where deficiencies were identified in the control environment our risk assessment procedures included an assessment of those deficiencies to determine the impact on our audit plan. Where we were unable to identify or test mitigating controls, we adopted a non-controls reliance approach and performed additional substantive procedures.

8. Other information

The other information comprises the information included in the annual report, including strategic report and director' 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.

9. 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.

10. Auditor's responsibilities for the audit of the financial statements

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

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

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

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

11.1. Identifying and assessing potential risks related to irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- the nature of the industry and sector, control environment and business performance including the design of the company's remuneration policies, key drivers for directors' remuneration, bonus levels and performance targets;
- results of our enquiries of management and the directors about their own identification and assessment of the risks of irregularities, including those that are specific to the company's sector;
- any matters we identified having obtained and reviewed the company's documentation of their policies and procedures relating to:
  - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
  - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
  - the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations; and
- the matters discussed among the audit engagement team and relevant internal specialists, including Tax and IT specialists regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

We also obtained an understanding of the legal and regulatory frameworks that the company operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the UK Companies Act, Listing Rules and tax legislation.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty.

11.2. Audit response to risks identified

As a result of performing the above, we did not identify any key audit matters related to the potential risk of fraud or non-compliance with laws and regulations.

Our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- enquiring of management, the board of directors and in-house and external legal counsel concerning actual and potential litigation and claims;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings of those charged with governance, reviewing internal audit reports and reviewing correspondence with HMRC; and
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members including internal specialists, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Report on other legal and regulatory requirements

12. Opinions on other matters prescribed by the Companies Act 2006

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

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

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

13. Matters on which we are required to report by exception

13.1. Adequacy of explanations received and accounting records

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

- we have not received all the information and explanations we require for our audit; or
- 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.

We have nothing to report in respect of these matters.

13.2. Directors' remuneration

Under the Companies Act 2006 we are also required to report if in our opinion certain disclosures of directors' remuneration have not been made.

We have nothing to report in respect of this matter.

14. Other matters which we are required to address

14.1. Auditor tenure

We were first appointed as auditors by the Company in 2001 and audited its financial statements for the year ending 31 December 2001 and subsequent periods. The period of total uninterrupted engagement including previous renewals and reappointments of the firm is 22 years, covering the years ending 31 December 2001 to 31 December 2022.

14.2. Consistency of the audit report with the additional report to the audit committee

Our audit opinion is consistent with the additional report to the audit committee we are required to provide in accordance with ISAs (UK).

15. 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.

Alexander Morton, FCA (Senior statutory auditor)

For and on behalf of Deloitte LLP

Statutory Auditor

London, United Kingdom

30 June 2023

	Note	Year ended 31 Dec 2022 £m	Year ended 31 Dec 2021 £m
Income			
Other operating income	3	43	-
Expenses			
Administrative expenses	4	(3)	(17)
Operating profit/(loss)		40	(17)
Interest receivable and similar income	5	42	28
Interest payable and similar expenses	6	(39)	(59)
Dividends received	7	-	3,064
Impairment of Investment in Subsidiaries	10	-	(2,722)
Loss on disposal of Investment in Subsidiaries	10	-	(226)
Profit before income tax		43	68
Income tax	8	(9)	6
Profit after income tax for the year		34	74

The above Statement of profit or loss should be read in conjunction with the accompanying notes

TP ICAP Finance plc
Statement of other comprehensive income
For the year ended 31 December 2022

	Year ended 31 Dec 2022 £m	Year ended 31 Dec 2021 £m
Profit after income tax for the year	34	74
Other comprehensive income		
Items that will not be reclassified subsequently to profit or loss		
Derecognition of EBT shares	(6)	-
Gain/(loss) on the revaluation of financial assets at fair value through other comprehensive income, net of tax	3	(4)
Other comprehensive loss for the year, net of tax	(3)	(4)
Total comprehensive income for the year	31	70

The above Statement of other comprehensive income should be read in conjunction with the accompanying note

TP ICAP Finance plc
Balance sheet
As at 31 December 2022

	Note	As at 31 Dec 2022 £m	As at 31 Dec 2021 £m
Assets			
Non-current assets			
Investment in subsidiaries	10	-	-
Other investments	9	15	14
Total non-current assets		15	14
Current assets			
Debtors	11	925	933
Cash and cash equivalents	12	2	7
Tax receivable	8	-	21
Total current assets		927	961
Total assets		942	975
Liabilities			
Non-current liabilities			
Interest-bearing loans and borrowings	14	743	742
Total non-current liabilities		743	742
Current liabilities			
Creditors	13	30	45
Derivative financial instruments		-	1
Tax payable	8	2	-
Interest-bearing loans and borrowings	14	8	59
Total current liabilities		40	105
Total liabilities		783	847
Net assets		159	128
Equity			
Share capital	15	-	-
Share premium	16	-	-
Other reserves	17	(7)	(4)
Retained profits		166	132
Total equity		159	128

The financial statements on page 17 to 38 were approved and authorised for issue by the Board of Directors on 30 June 2023 and signed on its behalf by:

R Stewart
Director
30 June 2023
Company Number: 05807599

The above Balance sheet should be read in conjunction with the accompanying notes

TP ICAP Finance plc
(formerly TP ICAP Limited)
Statement of changes in equity
For the year ended 31 December 2022

	Issued capital	Share premium	Merger reserve	Revaluation reserve	Own shares	Retained profits	Total equity
	£m	£m	£m	£m	£m	£m	£m
Balance at 1 January 2021	141	17	1,262	-	(27)	776	2,169
Profit after income tax for the year	-	-	-	-	-	74	74
Other comprehensive income for the year, net of tax	-	-	-	(4)	-	-	(4)
Total comprehensive income for the year	-	-	-	(4)	-	74	70
Rights issue (notes 15 and 16)	56	259	-	-	-	-	315
Rights issue costs	-	(6)	-	-	-	-	(6)
Rights issue (notes 15 and 16)	(197)	-	-	-	-	197	-
Bonus issue (note 15)	1,888	-	(1,262)	-	-	(626)	-
Rights issue (notes 15 and 16)	(1,888)	(270)	-	-	-	2,158	-
Reclass Own shares to Other investments	-	-	-	-	27	(10)	17
Dividends paid (note 18)	-	-	-	-	-	(2,437)	(2,437)
Balance at 31 December 2021	-	-	-	(4)	-	132	128

	Issued capital	Share premium	Merger reserve	Revaluation reserve	Own shares	Retained profits	Total equity
	£m	£m	£m	£m	£m	£m	£m
Balance at 1 January 2022	-	-	-	(4)	-	132	128
Profit after income tax for the year	-	-	-	-	-	34	34
Other comprehensive income for the year, net of tax	-	-	-	3	-	(6)	(3)
Total comprehensive income for the year	-	-	-	3	-	28	31
Reserve transfer[1]	-	-	-	(6)	-	6	-
Balance at 31 December 2022	-	-	-	(7)	-	166	159

[1] The reserve transfer adjusts the revaluation reserve so that it represents the excess of the purchase price of the EBT shares over their fair value (see Note 9). An element of this excess had been included in the retained profits of the Company in previous years.

The above Statement of changes in equity should be read in conjunction with the accompanying notes

Note 1. General information and principal accounting policies

General information
TP ICAP Finance plc is the financing company for the TP ICAP Group.

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Going concern
After consideration of the Company's and Group's business review and the related risks and uncertainties, the Directors have a reasonable expectation that the Company and Group have adequate resources to continue in operational existence for the foreseeable future being at least the twelve months from the date of approval of the financial statements, which includes the repayment of £37m relating to the 2024 bond due in January 2024 (see the Directors' report on page 6 and Notes 14 and 21). Thus, they continue to adopt the going concern basis in preparing the financial statements.

Basis of preparation
The financial statements of the Company have been prepared in accordance with FRS 101 'Reduced Disclosure Framework' and the Companies Act 2006. As permitted, the Company has taken advantage of disclosure exemptions, including: Statement of cash flows, disclosure of new accounting standards not yet mandatory, key management compensation, and related party transactions between wholly owned Group companies. Where relevant, equivalent disclosures have been given in the Group financial statements of TP ICAP Group plc. Items which are of a non-recurring nature and material, when considering both size and nature, are disclosed separately to give a clearer presentation of the Company's results.

The Company is the sponsor of the TP ICAP plc Employee Benefit Trust ("EBT") and applies the 'look-through' approach to the Trust's assets, liabilities and results which are included as part of the Company.

The Company has taken advantage of disclosure exemptions including certain requirements of IAS 1 Presentation of Financial Statements, IFRS 7 Financial Instruments Disclosures and IFRS 13 Fair Value Measurements.

The Company's ultimate parent and controlling party is TP ICAP Group plc (incorporated in Jersey).

The financial statements are prepared in Pounds Sterling, which is the functional currency of the Company.

Note 1. General information and principal accounting policies (continued)

Historical cost convention
The financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of financial assets and liabilities at fair value through profit or loss, financial assets at fair value through other comprehensive income, investment properties, certain classes of property, plant and equipment and derivative financial instruments.

Interest receivable and similar income
Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Interest payable and similar expenses
Interest expenditure is recognised as interest and accrues using the applicable effective interest method. Finance costs directly attributable to tangible assets are capitalised as part of the asset. This is a method of calculating the amortised cost of a financial liability and allocating the interest expense over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial liability to the net carrying amount of the financial liability. All other finance costs are expensed in the period in which they are incurred.

Dividends received
Dividend income is recognised upon declaration or when it becomes receivable.

Income tax
Tax on the profit or loss for the financial year comprises both current and deferred tax as well as any adjustment in respect of prior years. Tax is charged or credited to the Statement of profit or loss, except when it relates to items charged or credited directly to equity, in which case the current and deferred tax is also recorded within equity. Current tax is the expected tax payable/receivable on the taxable income for the year, using tax rates enacted, or substantially enacted by the balance sheet date.

Calculations of current and deferred tax liability are based on ongoing discussions with the relevant tax authorities, management's assessment of legal and professional advice, case law and other relevant guidance. Where the expected tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred tax amounts in the year in which a reassessment of the liability is made.

Deferred Tax
Deferred tax is recognised using the liability method, in respect of all temporary differences between the carrying value of assets and liabilities for reporting purposes and the tax bases of the assets and liabilities. Deferred tax is calculated at the rate of tax expected to apply when the liability is settled or the asset is realised. A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised.

Note 1. General information and principal accounting policies (continued)

Dividends paid
Dividends are recognised as deductions from Retained profits in the period in which they are paid.

Foreign currencies
Transactions denominated in foreign currencies are translated into functional currency at the rates of exchange prevailing on the date of each transaction. At each balance sheet date, monetary assets and liabilities denominated in foreign currency are retranslated at rates prevailing on the balance sheet date. Exchange differences are taken to the Statement of profit or loss. Non-monetary assets and liabilities carried at fair value denominated in foreign currency are translated at the rates prevailing at the date when the fair value was determined.

Cash and cash equivalents
Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Debtors
Debtors comprises of both financial and non-financial assets. Financial assets include trade debtors, loans and amounts owed by Group related companies are recognised at amortised cost less expected credit loss provision. All provisions are recorded within Administrative expenses in the Statement of profit or loss.

Creditors
Creditors are measured at amortised cost and comprise of loans and amounts owed to Group related companies and others relating to goods and services provided to the Company prior to the end of the financial year and where the invoice is unpaid.

Investment in subsidiaries
Investments comprise equity shareholdings. These investments are recorded at historic cost less provision for any impairment in their values. A subsidiary is an entity over which the Company has control. Control exists where the Company has the power to govern the financial and operating policies of an entity so as to obtain benefit from its activities.

Financial instruments
The Company has applied IFRS 9 in valuing its financial instruments. The Company had no hedging relationships as at this date or during the current reporting period. Classification of financial assets is based both on the business model within which the asset is held and the contractual cash flow characteristics of the asset. There exist three principal classification categories for financial assets that are debt instruments:

- fair value through other comprehensive income 'FVTOCI';
- fair value through profit or loss 'FVTPL'; and
- amortised cost.

Note 1. General information and principal accounting policies (continued)

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in Other Comprehensive Income ("OCI"). This election is made on an investment-by-investment basis. Other Investments are measured at FVTOCI.

Equity investments in scope of IFRS 9 are measured at fair value with gains and losses recognised in the Statement of profit or loss unless an irrevocable election has been made to recognise gains or losses in OCI. Under IFRS 9, derivatives embedded in financial assets are not bifurcated but instead the whole hybrid contract is assessed for classification.

All financial assets not classified as measured at amortised cost or FVTOCI are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVTOCI as an asset measured at FVTPL, if in doing so, it eliminates or significantly reduces an accounting mismatch that would otherwise arise.

A financial asset is measured at amortised cost only if the following conditions are met: (i) it is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and (ii) the contractual terms of the financial asset represent contractual cash flows that are solely payments of principal and interest. By default, all other financial assets are measured subsequently at FVTPL.

Impairment of financial assets
IFRS 9 applies the Expected Credit Loss ("ECL") model to financial assets measured at amortised cost and debt investments at FVTOCI, but not to investments in equity instruments.

The financial assets at amortised cost consist of debtors, Cash and cash equivalents and other Intercompany debtors. Under IFRS 9, loss allowances are measured on either of the following bases: 12-month ECLs: that result from expected default events within 12 months of the reporting date; and lifetime ECLs: that result from all default events anticipated during the expected life of a financial instrument. ECLs are computed using the simplified method.

The Company measures loss allowances at an amount equal to lifetime ECLs. The only exception is Cash and cash equivalents and Intercompany positions for which credit risk has not increased significantly since initial recognition, which is measured as 12-month ECLs. When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward looking information. The Company assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

Note 1. General information and principal accounting policies (continued)

The Company considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the Company in full, without recourse by the Group to actions such as realising security (if any is held); or
- the financial asset is more than 90 days past due.

Derivative financial instruments
Derivative financial instruments, such as foreign currency contracts and interest rate swaps, are entered into by the Company in order to manage its exposure to interest rate and foreign currency fluctuations or as simultaneous back-to-back transactions with counterparties. The Company does not use derivative financial instruments for speculative purposes.

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at each balance sheet date. The resulting gain or loss is recognised immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

A derivative with a positive fair value is recognised as a financial asset whereas a derivative with a negative fair value is recognised as a financial liability. Derivatives are not offset in the financial statements unless the Company has both legal right and intention to offset. A derivative is presented as a non-current asset or a non-current liability if the remaining maturity of the instrument is more than 12 months and it is not expected to be realised or settled within 12 months. Other derivatives are presented as current assets or current liabilities.

Equity instruments at FVTOCI
On initial recognition, the Company may make an irrevocable election, on an instrument-by-instrument basis, to designate investments in equity instruments as at FVTOCI. Designation at FVTOCI is not permitted if the equity investment is held for trading or if it is contingent consideration recognised by an acquirer in a business combination.

A financial asset is held for trading if:

- It has been acquired principally for the purpose of selling it in the near term; or
- On initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has evidence of a recent actual pattern of short-term profit-taking; or
- It is a derivative, except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument

Investments in equity instruments at FVTOCI are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the revaluation reserve. The cumulative gain or loss is not reclassified to profit or loss on disposal of the equity investments, instead, it is transferred to retained earnings. Dividends on these investments in equity instruments are recognised in profit or loss unless the dividends clearly represent a recovery of part of the cost of the investment. Dividends are included as finance income in profit or loss. The Company has designated all investments in equity instruments that are not held for trading as at FVTOCI on initial application of IFRS 9.

Note 1. General information and principal accounting policies (continued)

Measurement of Expected Credit Loss
ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls, representing the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive. ECLs are discounted at the effective interest rate of the financial asset.

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

Interest bearing loans and borrowings
All loans and borrowings are initially recognised at fair value, being the consideration received net of issue costs associated with the borrowing.

After initial recognition, interest bearing loans and borrowings are measured at amortised cost using the effective interest rate method. Amortised cost is calculated taking into account any issue costs and any discounts or premium on settlement. Gains and losses are recognised in the income statement when the liabilities are derecognised, as well as through the amortisation process.

Bank overdrafts
Bank overdrafts are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

Intercompany current accounts
Intercompany current accounts are shown in accordance with the netting agreement, which allows netting of bilateral intercompany balances within entities that are party to the netting agreement.

Intercompany loans
Intercompany loans are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method. Where there is an unconditional right to defer settlement of the liability for at least 12 months after the reporting date, the loans or borrowings are classified as non-current.

Issued capital
Ordinary shares are classified as equity.

New and revised IFRS in issue and mandatorily effective during the year
Management have reviewed the new and revised IFRS in issue and mandatorily effective during the year. These standards have not had a material impact on the financial statements of the Company in the period of initial application

Note 2. Critical accounting judgements and sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. Apart from the provisions and contingent liabilities described in the following paragraph and Note 19, there are no critical accounting judgements, estimates and assumptions and no sources of estimation uncertainty that are likely to affect the current or future financial years.

Provisions and contingent liabilities
Provisions are established based on management's assessment of relevant information and advice available at the time of preparing the Financial Statements. Judgement is required as to whether a present obligation exists and in estimating the probability, timing and amount of any outflows. Judgement is also required as to when contingent liabilities become disclosable. Outcomes are uncertain and dependent on future events. Where outcomes differ from management's expectations, differences from the amount initially provided will impact profit or loss in the period the outcome is determined. Note 19 provides details of the provisions and contingent liabilities.

Note 3: Other operating income

	Year ended 31 Dec 2022 £m	Year ended 31 Dec 2021 £m
Other operating income	43	-

Other operating income represents exchange differences arising on transactions in foreign currencies during the year and on the translation at the balance sheet date of assets and liabilities denominated in foreign currencies.

Note 4: Administrative expenses

	Year ended 31 Dec 2022 £m	Year ended 31 Dec 2021 £m
Professional fees	2	11
Service fees	-	3
Other administrative expenses	1	3
	3	17

Fees paid to the Company's auditor, Deloitte LLP, and its associates for services other than the statutory audit of the Company are not disclosed in the Company's financial statements since the consolidated financial statements of its ultimate parent and controlling party as at year end, TP ICAP Group plc, included these fees on a consolidated basis. Fees payable for the audit of the financial statements were £50,000 (2021: £20,000).

The Directors or key management personnel did not receive any remuneration for their services to the Company during the year (2021: £Nil).

The Company had no employees other than the directors and key management personnel during the year (2021: Nil).

Note 5: Interest receivable and similar income

	Year ended 31 Dec 2022 £m	Year ended 31 Dec 2021 £m
Group related company loans	42	28

Note 6: Interest payable and similar expenses

	Year ended 31 Dec 2022 £m	Year ended 31 Dec 2021 £m
Bank loans	5	3
Interest payable on Sterling Notes	33	36
Bank overdrafts	-	2
Group related company loans	1	2
Premium on repurchase of Sterling Notes January 2024 (note 14)	-	16
	39	59

Note 7: Dividends received

	Year ended 31 Dec 2022 £m	Year ended 31 Dec 2021 £m
Dividends received from subsidiaries	-	3,064

Note 8: Income tax

	Year ended 31 Dec 2022 £m	Year ended 31 Dec 2021 £m
Current tax		
UK Corporation tax - current year	8	(5)
Adjustment recognised for previous years - current tax	1	(1)
Aggregate income tax	9	(6)
Numerical reconciliation of income tax and tax at the statutory rate		
Profit before income tax	43	68
Tax at the statutory tax rate of 19%	8	13
Adjustment recognised for prior years - current tax	1	(1)
Non-taxable dividends	-	(582)
Expenses not decuctible for tax purposes	-	564
Income tax	9	(6)
Effective tax rate	20.9%	(8.8%)

	Year ended 31 Dec 2022 £m	Year ended 31 Dec 2021 £m
Provision for income tax	(2)	-
Tax receivable	-	21

In the UK, legislation to increase the rate of corporation tax from 19% to 25% has been enacted, effective from 1 April 2023. The effect of the proposed increase to 25% is not expected to have a material impact on the deferred tax position of the company.

Note 9: Non-current assets – Other investments

	As at 31 Dec 2022 £m	As at 31 Dec 2021 £m
Listed investments	15	14

Reconciliation
A reconciliation of the fair values at the beginning and end of the current and previous financial years is set out below

Opening fair value	14	-
Reclassified own shares to other investment	-	19
Additions	4	2
Disposals	(6)	(3)
Revaluation	3	(4)
Closing fair value	15	14

As at 31 December 2022, the EBT held 8,803,320 TP ICAP Group plc ordinary shares with a fair value of £15,361,793 (2021: 9,100,625 shares with a fair value of £13,896,654).

Note 10: Non-current assets – Investment in subsidiaries

	2022	2021
	£m	£m
At 1 January	-	3,240
Increase in investment in subsidiaries	-	2,648
Transfer of investment in subsidiaries to Immediate parent company	-	(3,154)
Transfer of investment in subsidiaries to Group related company	-	(12)
Impairment in investment in subsidiaries	-	(2,722)
At 31 December	-	-

During 2021, the Company transferred its interest in Coex Partners Ltd to a Group related company, for consideration of £13m (book value of £13m), recording an accounting loss on disposal of £Nil.

During 2021, the Company impaired its investment in TP ICAP Asia Pacific Holdings Ltd ("TPIAPHL") (formerly ICAP Global Broking Holdings Ltd) by £413m following the receipt of a dividend.

During 2021, Tullett Prebon Group Holdings Limited ("TPGHL") (formerly Tullett Prebon Group Holdings plc) distributed, as a dividend in specie, its entire interest in TP ICAP Group Services Limited ("TPIGSL") to the Company, valued at £2,648m. Subsequent to the distribution, TPIGSL distributed its entire interest in TP ICAP Americas Holdings Inc. to the Company, valued at £517m. The Company subsequently distributed, as a dividend in specie, its entire interest in TPIGSL to TP ICAP Group plc, its immediate parent company, valued at £2,131m.

During 2021, the Company transferred its interest in TPIAPHL for consideration of £145m (book value of £199m), TP ICAP Latin America Holdings Limited (formerly ICAP Holdings Latin America Ltd) for consideration of £276m (book value of £307m), and TP ICAP Americas Holdings Inc. for consideration of £376m (book value of £517m) to TP ICAP Group plc, its Immediate parent company, recording a total accounting loss on disposal of £226m.

During 2021, the Company impaired its investment in TPGHL by £2,309m following the receipt of a dividend in species and sold its interest in TPGHL to TP ICAP Holdings Limited, a group related company, for total consideration of £1.

In 2021, the Company disposed of all its subsidiaries and had no subsidiaries throughout 2022.

Investments in subsidiaries were stated at cost less impairment.

Note 11: Current assets – Debtors

	As at 31 Dec 2022 £m	As at 31 Dec 2021 £m
Loans owed by Group related companies	860	907
Amounts owed by Group related companies	68	30
Expected credit loss	(5)	(5)
Prepayments	2	1
	925	933

Loans owed by Group related company are unsecured, repayable on demand and interest bearing. The interest is charged at a range between 3.57% to 9.98% (2021: 3.55% to 4.29%). Amounts owed by Group related companies are unsecured, non-interest bearing and repayable on demand.

Note 12: Current assets – Cash and cash equivalents

	As at 31 Dec 2022 £m	As at 31 Dec 2021 £m
Cash at bank	2	7

Note 13: Current liabilities - Creditors

	As at 31 Dec 2022 £m	As at 31 Dec 2021 £m
Accruals	-	2
Loans owed to Group related companies	24	-
Amounts owed to Group related companies	6	43
	30	45

Amounts owed to Group related companies are unsecured, non-interest bearing and repayable on demand, £6m (2021: £26m) of which related to the EBT.

Note 14: Interest-bearing loans and borrowings

	Current £m	Non-current £m	Total £m
At 31 December 2022			
Loans from related parties	-	-	-
Sterling Notes January 2024	6	247	253
Sterling Notes May 2026	1	249	250
Sterling Notes November 2028	1	247	248
	8	743	751
At 31 December 2021			
Loans from related parties	51	-	51
Sterling Notes January 2024	6	246	252
Sterling Notes May 2026	1	249	250
Sterling Notes November 2028	1	247	248
	59	742	801

Loans from related parties

In August 2020, the Company entered into a Yen 10bn committed facility with The Tokyo Tanshi Co., Ltd, a related party, that matures in February 2024. As at 31 December 2022, the Yen 10bn committed facility equated to £63m (2021: Yen 10bn, £64m). Facility commitment fees of 0.64% on the undrawn balance are payable on the facility. Arrangement fees of less than £1m are being amortised over the maturity of the facility.

As at 31 December 2022, the facility was undrawn (2021: Yen 8bn (£51m)). The Directors consider that the carrying amount of the loan which is not held at fair value through profit or loss approximates to its fair value. During the year, the maximum amount drawn was Yen 10bn, £63m at year end rates (2021: Yen 10bn, £64m at 2021 year end rates), and the average amount drawn was Yen 9bn, £57m at year end rates (2021: Yen 8bn, £51m at 2021 year end rates). The Company utilises the credit facility throughout the year, entering into numerous short-term bank loans where maturities are less than three months. The turnover is quick and the volume is large. Interest and facility fees of £1m were incurred in 2022 (2021: £1m).

Amounts drawn down are reported as loans from related parties in the above table.

Bank credit facilities and bank loans

The Company has a £350m (2021: £270m) committed revolving facility that matures in May 2025 (2021: December 2023). Facility commitment fees of 0.7% on the undrawn balance are payable on the facility. Arrangement fees of £3m were paid in 2022 and are being amortised over the maturity of the facility.

The facilities contain a loan covenant. Under the agreement, the covenant is monitored on a regular basis by the treasury department and is regularly reported to the management to ensure compliance with the agreement.

Note 14: Interest-bearing loans and borrowings (continued)

As at 31 December 2022, the revolving credit facility was undrawn (2021: undrawn). Amounts drawn down are reported as bank loans in the above table. Bank loans are denominated in Sterling. During the year, the maximum amount drawn was £140m (2021: £130m), and the average amount drawn was £30m (2021: £60m). The Company utilises the credit facility throughout the year, entering into numerous short-term bank loans where maturities are less than three months. The turnover is quick and the volume is large.

Interest and facility fees of £3m were incurred in 2022 (2021: £3m).

Sterling Notes: Due January 2024
In January 2017, the Company issued £500m unsecured Sterling Notes due January 2024. The Notes have a fixed coupon of 5.25% payable semi-annually, subject to compliance with the terms of the Notes. In May 2019, the Company repurchased £69m of the Notes and a further £184m were repurchased in November 2021. Repurchases have been accounted for as extinguishment of the Notes. The repurchase in 2021 was at a £16m premium to the Note's carrying value, which has been reported as part of finance costs in the Income Statement. At 31 December 2022, the fair value of the Notes (Level 1) was £241m (2021: £264m). Accrued interest at 31 December 2022 amounted to £6m (2021: £6m). Unamortised issue costs were less than £1m as at 31 December 2022 (2021: £1m).

Interest of £13m was incurred in 2022 (2021: £22m). The amortisation expense of issue costs in 2022 and 2021 was less than £1m.

Sterling Notes: Due May 2026
In May 2019, the Company issued £250m unsecured Sterling Notes due May 2026. The Notes have a fixed coupon of 5.25% paid semi-annually, subject to compliance with the terms of the Notes. At 31 December 2022 the fair value of the Notes (Level 1) was £232m (2021: £278m). Accrued interest at 31 December 2022 amounted to £1m (2021: £1m). Unamortised issue costs were £1m as at 31 December 2022 (2021: £1m).

Interest of £13m was incurred in 2022 (2021: £13m). The amortisation expense of issue costs in 2022 and 2021 was less than £1m.

Sterling Notes: Due November 2028
In November 2021, the Company issued £250m unsecured Sterling Notes due November 2028. The Notes were issued at a discount of £1m, raising £249m before issue costs. The Notes have a fixed coupon of 2.625% paid semi-annually, subject to compliance with the terms of the Notes. At 31 December 2022 the fair value of the Notes (Level 1) was £184m (2021: £249m). Accrued interest at 31 December 2022 amounted to £1m (2021 :£1m). Unamortised discount and issue costs were £3m (2021: £3m).

Interest of £7m was incurred in 2022 (2021: £1m). The amortisation expense of discount and issue costs in 2022 and 2021 was less than £1m.

Note 15: Equity – Share capital

	As at 31 Dec 2022 Shares	As at 31 Dec 2021 Shares	As at 31 Dec 2022 £m	As at 31 Dec 2021 £m
Authorised, issued and fully paid ordinary shares of £0.25 each	200,001	200,001	-	-

The Company allotted 225,334,552 ordinary shares of £0.25 at GBP 1.40 (£0.25 nominal value and £1.15 share premium per share) on 17 February 2021 pursuant to a rights issue, bringing the total number of shares in issue to 788,670,932 shares with an aggregate nominal value of £197,167,733.00.

The Company completed a capital reduction pursuant to the Scheme, effective 26 February 2021, whereby all shares in issue (totalling 788,670,932 shares of £0.25 each, comprising 563,336,380 shares in issue at the date of approval by the company of the Scheme at a general meeting held on 1 February 2021 and 225,334,552 shares issued on 17 February 2021 pursuant to a Rights Issue) were cancelled resulting in the issued share capital following the Scheme being no shares in issue. Immediately following the Scheme on 26 February 2021, an equal number of shares, being 788,670,932, were issued to TP ICAP Group plc.

On 11 March 2021, the Company capitalised £1,887,846,978 (comprising £1,262,757,882 being the entire amount standing to the credit of its merger reserve, £75,089,096 being the entire amount standing to the credit of its share based payments reserve and £550,000,000 standing to the credit of its profit and loss and revaluation reserve) by way of a bonus issue of one A Ordinary share with a nominal value of £1,887,846,978 to TP ICAP Group plc.

On 11 March 2021, the Company approved pursuant to a Directors' solvency statement the reduction of its share capital as follows (1) 788,670,932 ordinary shares of £0.25 nominal value be cancelled and one share of £0.25 nominal value remains; (2) the A ordinary share of £1,887,846,978 nominal value be cancelled; and (3) the entire amount standing to the credit of the share premium account (being £269,839,423) be cancelled. The capital reduction was effective the date it was registered at Companies House on 12 March 2021.

On 19 August 2021, TP ICAP Group plc subscribed for 200,000 shares at £0.25 each on total consideration of £50,000 in the Company.

Note 16: Share premium

The share premium includes the value of the proceeds above nominal on issue of the Company's share capital, comprising £0.01 ordinary shares.

The Company allotted 225,334,552 ordinary shares of £0.25 at £1.40 (£0.25 nominal value and £1.15 share premium per share) on 17 February 2021 pursuant to a rights issue, bringing the total number of shares in issue to 788,670,932 shares with an aggregate nominal value of £197,167,733.00.

On 11 March 2021, the Company approved pursuant to a directors' solvency statement the reduction of its share capital as follows (1) 788,670,931 ordinary shares of £0.25 nominal value be cancelled and one share of £0.25 nominal value remains; (2) the A ordinary share of £1,887,846,978 nominal value be cancelled; and (3) the entire amount standing to the credit of the share premium account (being £269,839,423 be cancelled. The capital reduction was effective the date it was registered at Companies House, 12 March 2021.

Note 17: Equity – Other reserves

	As at 31 Dec 2022 £m	As at 31 Dec 2021 £m
Revaluation reserve	(7)	(4)
	(7)	(4)

Note 18: Equity – Dividends

	Year ended 31 Dec 22 £m	Year ended 31 Dec 21 £m
Dividend paid in 2021 of £12,185.85 per ordinary share	-	2,437

No dividend was declared or paid in the year (2021: £2,437m).

Note 19: Provisions and contingent liabilities

Bank Bill Swap Reference Rate case

On 16 August 2016, a complaint was filed in the United States District Court for the Southern District of New York naming Tullett Prebon plc, ICAP plc, ICAP Australia Pty Ltd and Tullett Prebon (Australia) Pty. Limited as defendants together with various Bank Bill Swap Reference Rate ('BBSW') setting banks. The complaint alleges collusion by the defendants to fix BBSW-based derivatives prices through manipulative trading during the fixing window and false BBSW rate submissions. On 26 November 2018, the Court dismissed all of the claims against the TP ICAP defendants and certain other defendants. On 28 January 2019, the Court ordered that a stipulation signed by the plaintiffs and the TP ICAP defendants meant that the TP ICAP defendants were not required to respond to any Proposed Second Amended Class Action Complaint ('PSAC') that the plaintiffs were seeking to file. On 3 April 2019 the plaintiffs filed a PSAC, however the TP ICAP defendants have no obligation to respond. The plaintiffs have reserved the right to appeal the dismissal of the TP ICAP defendants but have not as yet done so. It is not possible to predict the ultimate outcome of the litigation or to provide an estimate of any potential financial impact.

Note 19: Provisions and contingent liabilities (continued)

Swiss LIBOR Class Action

On 4 December 2017, a class of plaintiffs filed a Second Amended Class Action Complaint in the matter of Sonterra Capital Master Fund Ltd. et al. v. Credit Suisse Group AG et al. naming as defendants, among others, TP ICAP plc, Tullett Prebon Americas Corp., Tullett Prebon (USA) Inc., Tullett Prebon Financial Services LLC, Tullett Prebon (Europe) Limited, Cosmorex AG, ICAP Europe Limited, and ICAP Securities USA LLC (together, the 'Companies'). The Second Amended Complaint generally alleges that the Companies conspired with certain bank customers to manipulate Swiss Franc LIBOR and prices of Swiss Franc LIBOR based derivatives by disseminating false pricing information in false run-throughs and false prices published on screens viewed by customers in violation of the Sherman Act (anti-trust) and RICO. On 16 September 2019, the Court granted the Companies' motions to dismiss in their entirety. The plaintiffs appealed the dismissal to the United States Court of Appeals for the Second Circuit. Based upon a Second Circuit ruling in an unrelated case, the parties have jointly moved to remand the case to the United States District Court for the Southern District of New York for further proceedings. The case is now remanded to the S.D.N.Y. where the plaintiffs on 23 November 2022, filed a third amended complaint. In October 2022, the four 'ICAP' broker defendants (ICAP Europe Limited, ICAP Securities USA LLC, NEX Group plc and Intercapital Capital Markets LLC) reached a settlement in principle with the plaintiffs which has been approved on a preliminary basis by the Court. On 27 January 2023, the remaining 'Tullett' defendants (TP ICAP plc, Tullett Prebon Americas Corp, Tullett Prebon (USA) Inc., Tullett Prebon Financial Services LLC, Tullett Prebon (Europe) Limited and Cosmorex AG) filed a motion to dismiss the third amended complaint on various grounds including statute of limitations and failure to state a claim upon which relief can be granted. The Companies intend to contest liability in the matter and to vigorously defend themselves. It is not possible to predict the ultimate outcome of this action or to provide an estimate of any potential financial impact.

In respect of this action (see also the Directors' Report and note 21), the United States District Court for the Southern District of New York granted preliminary approval of the settlements in May 2023. Pending final approval from the class, which the Company believes to be probable, the Company has paid $2.1m (£1.6m) into escrow having provided for this amount. Separately, consistent with its indemnity obligations to the Company, NEX International Limited (formerly known as ICAP plc) has paid $2.1m (£1.6m) into escrow pending final class approval in order to resolve claims against ICAP Europe Limited, ICAP Securities USA LLC, NEX Group plc and Intercapital Capital Markets LLC.

Portigon AG and others v. TP ICAP Markets Limited and others

TP ICAP plc (now TP ICAP Finance plc) is a defendant in an action filed by Portigon AG in July 2021 in the Supreme Court of the State of New York County of Nassau alleging losses relating to certain so called 'cum ex' transactions allegedly arranged by the Group between 2005 and 2007. In June 2022, the Court dismissed the action for lack of personal jurisdiction. In July 2022, the plaintiffs filed a motion with the Court for reconsideration as well as a notice of appeal. Argument on the motion for reconsideration was held in January 2023 and the motion remains pending with the Court. The Group intends to contest liability in the matter and to vigorously defend itself. It is not possible to predict the ultimate outcome of this action or to provide an estimate of any potential financial impact.

Yen LIBOR Class Actions
The Company has entered into settlement agreements with the plaintiffs in Laydon v. Mizuho Bank, Ltd. et al. and Sonterra Capital Master Fund, Ltd. et al. in order to settle these class actions relating to the alleged manipulation of Yen LIBOR and Euroyen TIBOR benchmark interest rates. The United States District Court for the Southern District of New York granted preliminary approval of the settlements on 4 October 2022. Following class approval, the Court finally approved this settlement in March 2023. The Company has paid $2.4 million (£2.0 million) into escrow for distribution to the class having provided for this amount. Separately, pursuant to these settlements and consistent with its indemnity obligations, NEX International Limited (formerly known as ICAP plc) has paid $2.4 million (£2.0 million) into escrow for distribution to the class in order to resolve claims against ICAP plc and ICAP Europe Limited. This has been recorded as a provision and settlement, together with the receipt of an indemnification asset from NEX.

Note 20: Segmental analysis

The Company's income for the year (excluding foreign exchange gains, for which see note 3) comprises £42m (2021: £28m) of interest receivable (see note 5). This interest is all receivable from its parent, TP ICAP Group plc, a company registered in Jersey.

Note 21: Post-balance sheet events

On 17 April 2023, the Company partly redeemed the bond due to mature on 26 January 2024 with the proceeds of a new bond issue with a maturity date of 17 April 2030. The new bond issue represented £250m of external borrowing with an interest rate of 7.875%. £210m of the 2024 bond was repaid immediately and the remaining £37m will be repaid at maturity.

In respect of the Swiss LIBOR Class Action (see the directors' report and note 19), the United States District Court for the Southern District of New York granted preliminary approval of the settlements in May 2023. Pending final approval from the class, which the Company believes to be probable, the Company has paid $2.1m (£1.6m) into escrow having provided for this amount. Separately, consistent with its indemnity obligations to the Company, NEX International Limited (formerly known as ICAP plc) has paid $2.1m (£1.6m) into escrow pending final class approval in order to resolve claims against ICAP Europe Limited, ICAP Securities USA LLC, NEX Group plc and Intercapital Capital Markets LLC.

Note 22: Immediate and ultimate parent undertaking

At the year end, the Company's immediate and ultimate parent and controlling party was TP ICAP Group plc, whose registered office is at 22 Grenville Street, St Helier, Jersey JE4 8PX, which is incorporated in Jersey and which heads the largest and smallest group of companies of which the Company is a member. TP ICAP Group plc has prepared consolidated financial statements in accordance with IFRS. Copies of TP ICAP Group plc financial statements are available from www.tpicap.com.