

Affiliated Managers Group Limited
Annual Report and Financial Statements
Registration No. 06481795
For the year ended 31 December 2022

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Affiliated Managers Group Limited

Strategic Report

For the year ended 31 December 2022

The directors present their strategic report on the affairs of Affiliated Managers Group Limited ("AMG Ltd", the "Company") for the year ended 31 December 2022.

Principal activities

AMG Ltd is a private limited company incorporated in England and Wales on 23 January 2008. AMG Ltd is a wholly owned subsidiary of AMG Global Inc., which is a wholly owned subsidiary of Affiliated Managers Group, Inc. ("AMG Inc."), the Company's ultimate parent. AMG Inc. is a leading partner to independent investment management firms globally, domiciled in the United States. AMG Inc.'s strategy is to generate long-term value by investing in a diverse array of high-quality independent partner-owned firms, referred to as "Affiliates." The Company's principal activity during the year was to provide marketing and investor support services in Europe and the Middle East to certain of AMG Inc.'s Affiliates. As at 1 January 2021, the Company delegated certain services provided to Affiliates in the European Union (the "EU") to Affiliated Managers Group (Europe) Limited ("AMG Europe"), an EU-based entity that operates as a tied agent of Mirabella Malta Advisers Limited.

The Company is authorised by the Financial Conduct Authority ("FCA") to conduct the regulated activities of a) arranging (bringing about) deals in investments; and b) making arrangements with a view to transactions in investments. The Company's main office is in London, and it also maintains a branch office in Dubai (which is regulated as a representative office in the Dubai International Financial Centre by the Dubai Financial Services Authority). In 2015, the Company formed a wholly owned Swiss subsidiary, Affiliated Managers Group (Switzerland) AG ("AMG AG"). In 2020, the Company entered AMG AG into liquidation and the entity was fully dissolved on 26 March 2021. The Company previously acted as a promoter to an Irish Undertakings for Collective Investments in Transferable Securities funds ("UCITS"). In 2020, the UCITS entered liquidation and the entity is expected to be fully dissolved in 2023.

Financial results

The financial results of the Company for the year are set out on page 10. The profit for the financial year was £1,830,119 (restated 2021: £1,739,576). In 2022, the directors declared and paid a dividend of £7,500,000 (2021: Nil). At 31 December 2022, total shareholder's funds were £12,271,663 (restated 2021: £15,923,640).

Financial key performance indicators

Given the straightforward nature of the business, the directors are of the opinion that analysis using any key performance indicators is not necessary for an understanding of the development, performance, or position of the business.

Principal risks and uncertainties

The Company, through AMG Inc., has systems and controls to mitigate any adverse effects across the range of risks that it faces. The most important components of this risk are liquidity risk, credit risk, and currency risk.

Liquidity risk – The objective of the Company in managing liquidity risk is to ensure that it can meet its financial obligations as of and when they fall due. The Company sources its cash flows from the collection of revenues principally earned from AMG Inc. AMG Inc. is the ultimate parent undertaking of the Company and is considered low risk.

Currency risk – The Company is exposed to currency risk in respect to assets and liabilities denominated in currencies other than pound sterling. The most significant currencies to which the Company is exposed are the United States dollar and the United Arab Emirates dirham. The Company does not currently manage its currency risk.

Credit risk – The Company is subject to credit risk should AMG Inc. be unable to pay amounts due to the Company. AMG Inc. is the ultimate parent undertaking of the Company and is considered low risk.

Affiliated Managers Group Limited
Strategic Report (continued)
For the year ended 31 December 2022

Principal risks and uncertainties (continued)

The Company will closely monitor the effects of the macroeconomic conditions on the global economy, however there is minimal impact on the ongoing business activity of the Company.

Statement by the directors in performance of their statutory duties in accordance with s172(1) Companies Act 2006

Section 172 of the Companies Act 2006 requires the directors to act in the way they consider, in good faith, would most likely promote the success of the Company for the benefit of its members as a whole, and in doing so have regard, amongst other matters, to:

- The likely consequences of any decision in the long-term;
- The interests of the Company's employees;
- The need to foster the Company's business relationships with suppliers, customers and others;
- The impact of the Company's operations on the community and the environment;
- The desirability of the Company maintaining a reputation for high standards of business conduct, and
- The need to act fairly as between members of the Company.

The directors have been made aware of their obligations under Section 172 and all of the directors understand their obligations in this regard and have acted in a way that they consider, in good faith, would be most likely to achieve these objectives.

The directors take responsibility for the long-term strategic direction of the Company, including setting the strategy and ensuring that business objectives are upheld and met in the best interest of its shareholder. The directors' responsibilities include oversight of the financial and operational performance of the Company. The directors promote the success of the Company for the benefit of its shareholder, as well as AMG Inc., and are committed to engaging with each on a regular basis. To ensure the best interests of the Company and its shareholder are considered, the Company operates at all times with a high level of governance standards. The directors meet formally on a quarterly basis and outside of that, they will meet as and when circumstances require. In addition to strategy, financial performance, and operational performance, the directors consider key risks as well as legal and regulatory compliance matters.

The Company's employees and its reputation are its most important assets, and attracting, retaining, and motivating top talent to execute on its strategic business objectives is a fundamental imperative. The Company, through AMG Inc., supports that imperative through AMG Inc.'s strong values-based culture, commitment to career development and training, employee engagement, attractive compensation and benefits programs, attention to succession planning, and fostering of diversity and inclusion at all levels of the organization. The Company, through AMG Inc., offers numerous programs to support its employees with respect to their health, family leave, and educational support, and is focused on building employee engagement with communities through corporate citizenship initiatives.

The Company has a limited supply chain. The Company's main trading partners are AMG Inc. and its Affiliates. The Company, through AMG Inc. is a leading partner to independent investment management firms globally. AMG Inc.'s strategy is to generate long-term value by investing in a diverse array of high-quality independent partner-owned firms, referred to as "Affiliates," through a proven partnership approach, and allocating resources across AMG Inc.'s unique opportunity set to the areas of highest growth and return. AMG Inc.'s innovative partnership approach enables each Affiliate's management team to own significant equity in their firm while maintaining operational and investment autonomy. In addition, AMG Inc. offers its Affiliates growth capital, distribution, and other strategic value-added capabilities, which enhance the long-term growth of these independent businesses, and enable them to align equity incentives across generations of principals to build enduring franchises.

Affiliated Managers Group Limited
Strategic Report (continued)
For the year ended 31 December 2022

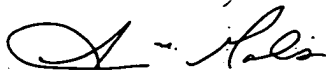
Statement by the directors in performance of their statutory duties in accordance with s172(1) Companies Act 2006 (continued)

Together with AMG Inc., the Company believes that sound corporate citizenship and attention to governance and environmental principles are essential to its success. As a group, AMG Inc. is committed to operating with integrity; contributing to the local communities surrounding our global offices; enhancing its organization's diversity, equity, and inclusion, and supporting these values in its surrounding communities; developing its employees; and being thoughtful stewards of natural resources. As a group, AMG Inc. maintains a strong corporate culture that promotes the highest standards of ethics and compliance for its business. AMG Inc.'s Code of Business Conduct and Ethics ("the Code") sets forth the important principles guiding the conduct of its employees, officers, and directors. The Code governs the management of conflicts of interest and corporate opportunities, prohibits any engagement in unlawful activity in conducting AMG Inc.'s business, and requires that all business matters be conducted in accordance with ethical standards and applicable laws.

Analysis of development and performance

The directors of the Company consider the results for the year and the financial position at the end of the year to be satisfactory and do not intend to change the Company's activities in the foreseeable future.

On behalf of the Board



Aaron Galis
Director
25 April 2023

Affiliated Managers Group Limited
Directors' Report
For the year ended 31 December 2022

The directors present their report and the audited financial statements of Affiliated Managers Group Limited ("AMG Ltd", the "Company") for the year ended 31 December 2022. The disclosure of the branches outside the United Kingdom, future developments and financial risk management policies, and financial risks are included in the Strategic Report for the year ended 31 December 2022.

Dividends

In 2022, the directors declared and paid a dividend of £7,500,000 (2021: Nil).

Directors

The directors who held office during the year up to the date of signing the financial statements are given below.

Simon Osborne

Aaron Galis, appointed 12 May 2022

Dean Maines, resigned 12 May 2022

The shares of the Company are 100% owned by AMG Global Inc. No director held a beneficial interest in the shares of the Company at any time during the year. As permitted by the Articles of Association, the directors have the benefit of an indemnity which is a qualifying third party indemnity provision as defined by Section 234 of the Companies Act 2006. The indemnity was in force throughout the last financial year and is currently in force. AMG Inc. purchased and maintained throughout the year directors' and officers' liability insurance in respect of the Company and of the Company's directors.

Statement of directors' responsibilities in respect of the financial statements

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law).

Under company law, directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgments and accounting 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 safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are also 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.

Affiliated Managers Group Limited
Directors' Report (continued)
For the year ended 31 December 2022

Directors' confirmations

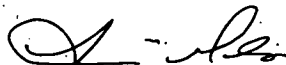
In the case of each director in office at the date the Directors' Report is approved:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Auditors

The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office and a resolution concerning their re-appointment will be presented to the shareholder of the Company.

On behalf of the Board



Aaron Galis
Director
25 April 2023

Independent auditors' report to the members of Affiliated Managers Group Limited

Report on the audit of the financial statements

Opinion

In our opinion, Affiliated Managers Group Limited's financial statements:

- 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 (United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: statement of financial position as at 31 December 2022; statement of comprehensive income and statement of changes in equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

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.

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.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the company's ability to continue as a going concern.

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

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

Affiliated Managers Group Limited

Independent auditors' report to the members of Affiliated Managers Group Limited

For the year ended 31 December 2022

In connection with our audit of the financial statements, 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 audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. 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 based on these responsibilities.

With respect to the Strategic report and Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

Strategic report and Directors' Report

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 year ended 31 December 2022 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic report and Directors' Report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

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

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.

Auditors' 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 auditors' 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 extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to breaches of UK regulatory principles, such as those governed by the Financial Conduct Authority and Companies Act 2006, and we considered the extent to which non-compliance might have a material effect on the financial statements. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting of inappropriate journal entries and management bias in accounting estimates and judgement areas of the financial statements. Audit procedures performed by the engagement team included:

- Enquiry of management and the entity's legal counsel around actual and potential litigation and claims;
- Enquiry of entity staff in compliance functions to identify any instances of non-compliance with laws and regulations;
- Reviewing minutes of meetings of those charged with governance;
- Validating the appropriateness of journal entries identified based on our fraud risk criteria;
- Tested the appropriateness of accounting estimates utilised and judgements made by Management; and
- Designing audit procedures to incorporate unpredictability around the nature, timing or extent of our testing.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

Affiliated Managers Group Limited

Independent auditors' report to the members of Affiliated Managers Group Limited

For the year ended 31 December 2022

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 auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

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

- we have not obtained all the information and explanations we require for our audit; or
- 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
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.



Jasmit Lochab (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
25 April 2023

Affiliated Managers Group Limited
Statement of Comprehensive Income

		Year Ended 31 December 2022	Year Ended 31 December 2021 (restated)
	Note	£	£
Revenue	5	10,798,860	10,277,131
Administrative expenses		(9,010,740)	(8,587,448)
Profit before income tax	6	1,788,120	1,689,683
Income tax benefit	9	41,999	49,893
Profit for the financial year		1,830,119	1,739,576
Other comprehensive income		—	—
Total comprehensive income		1,830,119	1,739,576

All results are derived from continuing operations.

Further information on the restatement can be found in Note 3(b) of these financial statements.

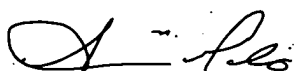
The notes on pages 13 to 22 form part of these financial statements.

Affiliated Managers Group Limited
Statement of Financial Position

		As at 31 December 2022	As at 31 December 2021 (restated)
	Note	£	£
Non-current assets			
Property, plant and equipment	10	12,053	2,544
Deferred tax assets	9	504,078	395,191
Other non-current assets	11	80,678	97,078
		596,809	494,813
Current assets			
Trade and other receivables	11	11,123,898	8,162,786
Cash and cash equivalents		3,685,789	10,132,004
		14,809,687	18,294,790
Trade and other payables	12	(2,680,599)	(2,393,637)
Net current assets		12,129,088	15,901,153
Total assets less current liabilities		12,725,897	16,395,966
Trade and other payables due after one year	12	(300,256)	(318,348)
Provisions for liabilities	13	(153,978)	(153,978)
Net assets		12,271,663	15,923,640
Capital attributable to the Company's equity shareholder			
Called-up share capital	14	100	100
Other reserves	14	5,034,625	3,016,721
Retained earnings		7,236,938	12,906,819
Total equity		12,271,663	15,923,640

Further information on the restatement can be found in Note 3(b) of these financial statements.

The financial statements on pages 10 to 22 were approved by the Board of Directors on 25 April 2023 and were signed on its behalf by:



Aaron Galis
Director
25 April 2023

Affiliated Managers Group Limited - Registration No. 06481795

The notes on pages 13 to 22 form part of these financial statements.

Affiliated Managers Group Limited
Statement of Changes in Equity
For the year ended 31 December 2022

	Called-up share capital	Other reserves	Retained earnings	Total
	£	£	£	£
Balance at 31 December 2020	100	988,306	11,167,243	12,155,649
Profit for the financial year pre-restatement	—	—	1,760,830	1,760,830
Adjustment for restatement	—	—	(21,254)	(21,254)
Profit for the year restated	—	—	1,739,576	1,739,576
Other comprehensive income for the financial year	—	—	—	—
Total comprehensive income for the financial year (restated)	—	—	1,739,576	1,739,576
Credit related to equity settled share-based payments	—	2,028,415	—	2,028,415
Total transactions with owner, recognised directly in equity	—	2,028,415	—	2,028,415
Balance at 31 December 2021 (restated)	100	3,016,721	12,906,819	15,923,640
Profit for the financial year	—	—	1,830,119	1,830,119
Other comprehensive income for the financial year	—	—	—	—
Total comprehensive income for the financial year	—	—	1,830,119	1,830,119
Credit related to equity settled share-based payments	—	2,017,904	—	2,017,904
Dividends	—	—	(7,500,000)	(7,500,000)
Total transactions with owner, recognised directly in equity	—	2,017,904	(7,500,000)	(5,482,096)
Balance at 31 December 2022	100	5,034,625	7,236,938	12,271,663

Further information on the restatement can be found in Note 3(b) of these financial statements.

The notes on pages 13 to 22 form part of these financial statements.

Affiliated Managers Group Limited
Notes to the Financial Statements
For the year ended 31 December 2022

Note 1 General information

Affiliated Managers Group Limited (the "Company") is a private company limited by shares and is incorporated in England and Wales. The address of its registered office is 5th Floor, 35 Park Lane, London, W1K 1RB.

The Company is a wholly-owned subsidiary of AMG Global Inc., which is a wholly-owned subsidiary of Affiliated Managers Group, Inc. ("AMG Inc."), the Company's ultimate parent. AMG Inc. is a leading partner to independent investment management firms globally, domiciled in the United States. AMG Inc.'s strategy is to generate long-term value by investing in a diverse array of high-quality independent partner-owned firms, referred to as "Affiliates." The Company's principal activity during the year was to provide marketing and investor support services in Europe and the Middle East to certain of AMG Inc.'s Affiliates. As at 1 January 2021, the Company delegated certain services provided to Affiliates in the European Union (the "EU") to Affiliated Managers Group (Europe) Limited, an EU-based entity that operates as a tied agent of Mirabella Malta Advisers Limited.

Note 2 Statement of compliance

The individual financial statements of the Company have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the UK and the Republic of Ireland" ("FRS 102") and the Companies Act of 2006.

Note 3 Summary of significant accounting policies

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

(a) Basis of presentation

The financial statements have been prepared on a going concern basis, under the historical cost convention as modified to include the revaluation of certain financial assets and liabilities. Certain reclassifications have been made to the prior year's financial statements to conform to the current year's presentation.

The preparation of financial statements in conformity with FRS 102 requires the use of certain critical accounting estimates and requires management to exercise its judgment in applying the Company's accounting policies. The resulting accounting estimates, will, by definition, seldom equal the actual results. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 4.

(b) Prior year restatement

In 2022, the Company identified that certain intercompany revenue and expenses were overstated in 2021 by £198,958 and £172,719, respectively. As a result, the affected 2021 balances and financial statement disclosures have been revised in the 2022 financial statements.

	2021	2021 (restated)
	£	£
Revenue	10,476,089	10,277,131
Administrative expenses	8,760,167	8,587,448
Profit before income tax	1,715,922	1,689,683
Income tax benefit	44,908	49,893
Profit for the financial year	1,760,830	1,739,576
Trade and other receivables	8,361,744	8,162,786
Trade and other payables	2,571,341	2,393,637
Retained earnings	12,928,073	12,906,819

Affiliated Managers Group Limited
Notes to the Financial Statements (continued)
For the year ended 31 December 2022

Note 3 Summary of significant accounting policies (continued)

(c) Going concern

The Company believes its existing cash resources and cash flow from operations will be sufficient to meet its working capital needs for normal operations for the foreseeable future. The Company therefore continues to adopt the going concern basis in preparing its financial statements.

(d) Exemptions of qualifying entities under FRS 102

FRS 102 allows a qualifying entity certain disclosure exemptions, subject to certain conditions, which the Company has complied with. The Company has taken advantage of the following exemptions:

- (i) from providing a reconciliation of the number of shares outstanding at the beginning and end of the period;
- (ii) from preparing a statement of cash flows;
- (iii) from disclosing certain financial instrument disclosures on the basis that AMG Inc. prepares consolidated financial statements with equivalent disclosures which are publicly available as disclosed in Note 16;
- (iv) from disclosing certain share-based payment disclosures on the basis that the share-based payments concern equity of AMG, Inc. and equivalent disclosures are included in the consolidated financial statements of AMG, Inc.;
- (v) from disclosing key management personnel compensation in total; and
- (vi) from disclosing related party transactions with entities that are 100% owned by AMG Inc., the ultimate parent of the Company.

(e) Consolidated financial statements

The Company is a wholly owned subsidiary of AMG Global Inc. and of its ultimate parent, AMG Inc. The Company's consolidated financial results are included in the consolidated financial statements of AMG Inc. which are publicly available as disclosed in Note 16. Therefore, the Company is exempt by section 401 of the Companies Act of 2006 from the requirement to prepare consolidated financial statements.

(f) Foreign currency

(i) Functional and presentation currency

The company's functional and presentation currency is pound sterling.

(ii) Transactions and balances

Foreign currency balances are translated into the functional currency using the spot exchange rate at the date of each transaction.

At each period end foreign currency monetary items are translated into the functional currency using exchange rates prevailing at the Statement of Financial Position date. Non-monetary items measured at historical cost are translated into the functional currency using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Comprehensive Income.

(g) Revenue recognition

(i) Marketing and investor support service fees

Marketing and investor support service fees are accounted for on an accrual basis when such fees fall due in accordance with the relevant agreements. The fees are based on a cost-plus arrangement which is calculated using the total expenses before income taxes of the Company.

Affiliated Managers Group Limited
Notes to the Financial Statements (continued)
For the year ended 31 December 2022

Note 3 Summary of significant accounting policies (continued)

(h) Employee Benefits

(i) Pension arrangements

The Company makes monthly pension contributions on behalf of its employees to a defined contribution scheme. These amounts are accrued and paid on a monthly basis.

(ii) Post-employment benefits

Certain employees qualify for an end of service gratuity payment at termination of employment with the Company. The payment the employees will receive on termination is dependent on several factors, including length of service and wages. The benefit is accounted for as a post-employment benefit.

The liability recognised in Trade and other payables due after one year in the Statement of Financial Position in respect of the benefit is the present value of the post-employment benefit at the reporting date. The post-employment benefit is calculated using the projected unit credit method. The present value is determined by discounting the estimated future payments using market yields on high quality corporate bonds denominated in a currency consistent with the currency and estimated period of future payments. The change in the present value of the post-employment benefit arising from the employee services rendered during the reporting period is recorded in the Statement of Comprehensive Income.

(iii) Share-based payments

AMG Inc. may issue stock options and restricted stock awards to directors and key employees. The Company recognizes expenses for all share-based compensation arrangements based on the number of awards expected to vest. For awards with performance conditions, the Company revises its estimate if new information indicates that the number of equity instruments expected to vest differs from previous estimates. Options are valued using the Black-Scholes option-pricing model. The fair value of restricted stock awards is based on the closing price of AMG Inc.'s common stock on the date of the grant and the number of shares expected to vest. The Company accounts for share-based payments under section 26 of FRS 102 as equity-settled transactions. The fair value measured is amortised over the period during which employees become unconditionally entitled to the award on a straight-line basis with no adjustment for changes in market value of the share-based awards granted. The amortised cost is recognised in the Statement of Comprehensive Income with a corresponding credit to other reserves.

(i) Income tax

Income tax expense for the period comprises current and deferred tax recognised in the reporting period. Tax is recognised in the Statement of Comprehensive Income, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

(i) Current tax

Current tax is the amount of income tax payable in respect of the taxable profit for the year or prior years. Tax is calculated on the basis of tax rates and laws that have been enacted by the period end.

The Company periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulations are subject to interpretation, and establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

(ii) Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date. Deferred tax is recognised when transactions or events result in an obligation to pay more tax in the future or a right to pay less tax in the future.

Affiliated Managers Group Limited
Notes to the Financial Statements (continued)
For the year ended 31 December 2022

Note 3 Summary of significant accounting policies (continued)

(i) Income tax (continued)

(ii) Deferred tax (continued)

A net deferred tax asset is recognised as recoverable and, therefore, recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits against which to recover carried forward tax losses and from which the future reversal of underlying timing differences can be deducted.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse based on tax rates and laws that have been enacted or substantively enacted by the Statement of Financial Position date.

(j) Property, plant and equipment

Property, plant and equipment are stated at their purchase price, together with any incidental expenses of acquisition. Depreciation is calculated so as to write off the cost of property, plant and equipment on a straight-line basis over the expected useful economic lives of the assets concerned as follows:

Leasehold improvements	over the lesser of life of the lease or the estimated useful life of the leasehold improvements
Computer hardware	three years
Furniture and office equipment	five years

(k) Deferred rent

The Company records rent expense on a straight-line basis over the term of the lease. Rent expense in excess of cash paid is recorded as a deferred rent liability.

(l) Provisions

The Company recognises provisions for obligations which exist at the Statement of Financial Position date. These provisions are estimates and the actual cost and timing of future cash flows are dependent on future events. The Company reassesses the amounts of these provisions at each Statement of Financial Position date in order to ensure that they are measured at the current best estimate of the expenditure required to settle the obligation at the Statement of Financial Position date.

(m) Dividends

Dividends to the Company's shareholder are recognised as a liability in the period in which the dividends are approved by the Company's directors. Dividends are recorded in the Statement of Changes in Equity.

(n) Operating leases

Leases that do not transfer the risks and rewards of ownership are classified as operating leases. Costs (and any potential costs relating to dilapidation clauses) in respect of operating leases are charged to the Statement of Comprehensive Income on a straight-line basis over the lease term.

Note 4 Critical accounting judgments and estimation uncertainty

Estimates and judgements are evaluated on an ongoing basis and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Share-based payments

AMG Inc. may issue restricted stock awards to directors and key employees.

The Company calculates share-based payments using the fair value of the awards on the grant date, and recognises an expense net of forfeitures based on the number of shares expected to vest, on a straight-line basis over the requisite service period.

Affiliated Managers Group Limited
Notes to the Financial Statements (continued)
For the year ended 31 December 2022

Note 4 Critical accounting judgments and estimation uncertainty (continued)

Share-based payments (continued)

For restricted stock awards with service or performance conditions, the Company determines the fair value of the awards using the closing price of AMG Inc.'s common stock on the date of grant and the number of awards expected to vest. In measuring expected volatility, the Company considers both the historical volatility of AMG Inc.'s common stock, as well as the current implied volatility.

Note 5 Revenue

Analysis of revenue by category:

	2022	2021 (restated)
	£	£
Marketing services	10,798,860	10,277,131

Analysis of revenue by geography:

	2022	2021 (restated)
	£	£
United States of America	10,717,387	10,138,097
Malta	81,473	139,034
	10,798,860	10,277,131

Note 6 Profit before income tax

Profit before income tax is stated after charging:

	2022	2021
	£	£
Staff costs:		
- Wages and salaries	6,228,697	5,892,229
- Social security costs	569,597	560,193
- Other pension costs	162,033	133,563
Total staff costs	6,960,327	6,585,985
Operating lease and other related charges	729,574	736,294
Amortisation of deferred lease cost	14,168	5,832
Depreciation of tangible fixed assets (owned assets) (see Note 10)	864	15,475
Foreign exchange gains	(26,923)	(36,579)

Services charged by the Company's auditor:

	2022	2021
	£	£
Fees payable to the Company's auditor for the audit of its financial statements	130,423	106,542
Fees payable to the Company's auditor for other services:		
- Taxation compliance services	17,248	25,761
- Taxation advisory services	7,061	14,319
- Other assurance services	2,500	2,500
Total amount payable to the Company's auditor	157,232	149,122

Affiliated Managers Group Limited
Notes to the Financial Statements (continued)
For the year ended 31 December 2022

Note 7 Employees and directors

Employees

The average monthly number of persons employed by the company during the year was:

By activity:	2022	2021
Administrative - Non-executive	11	9
Marketing	5	5
Information Technology	1	1
	17	15

Directors

The table below sets forth the emoluments of the directors who also serve as employees of the Company.

Directors' emoluments	2022	2021
	£	£
Wages and salaries	158,053	155,212
Share-based payment	38,749	32,827
Contributions to defined contribution scheme	8,170	7,792
Total directors' emoluments	204,972	195,831

The directors exercised no options during 2022 (2021: Nil).

The directors' emoluments shown in the table above sets forth emoluments paid to the directors for qualifying services provided to the Company. The table does not include emoluments paid to directors who are employed directly by AMG Inc. as it is not possible to separately distinguish the remuneration received in the capacity of a director of the Company. The emoluments shown in the table above for the year ended 31 December 2022 sets forth the emoluments of the highest paid director who also serves as an employee of the Company. For the year ended 31 December 2021, the Company did not disclose remuneration attributable to the highest paid director because the aggregate director remuneration was below the numerical threshold requiring such disclosure.

Note 8 Share-based payments

AMG Inc. has issued stock options and restricted stock awards to directors and key employees. Options granted under AMG Inc. employee stock plans are granted at prices not less than 100% of the fair market value at the time of the grant, are exercisable over the vesting period, and expire within seven years from the date of grant.

Certain restricted stock awards contain vesting conditions requiring service over a period of three to four years. In certain circumstances, awards also require certain performance conditions to be satisfied.

Affiliated Managers Group Limited
Notes to the Financial Statements (continued)
For the year ended 31 December 2022

Note 9 Income tax

(a) Income tax

	2022	2021 (restated)
	£	£
Current Tax:		
- UK corporation tax on profits for the year	66,888	(4,985)
- Adjustment in respect to prior years	—	—
Total current tax	66,888	(4,985)
Deferred Tax:		
- Non-recoverable deferred tax	(2,038)	56,846
- Adjustment in respect to prior years	5	17
- Origination and reversal of timing differences	(106,854)	(24,629)
- Effect of changes in tax rate	—	(77,142)
Total deferred tax	(108,887)	(44,908)
Income tax benefit	(41,999)	(49,893)

(b) Reconciliation of income tax

The tax assessed for 2022 is lower (2021: lower) than the standard rate of corporation tax in the UK for the year ended 31 December 2022 of 19% (2021: 19%).

Group tax relief claim represents taxable losses surrendered by other members of the Company's UK tax group to the Company to offset the Company's taxable profits.

	2022	2021 (restated)
	£	£
Profit before income tax	1,788,120	1,689,683
Profit multiplied by standard rate of 19% (2021: 19%)	339,743	321,040
Effects of:		
- Non-recoverable deferred tax	(2,038)	56,846
- Expenses not deductible for tax purposes	3,509	28,477
- Adjustment in respect to prior years	5	17
- Remeasurement of deferred tax - change in UK tax rate	—	(77,142)
- Income not taxed in UK	(110,432)	(92,320)
- Group tax relief claim	(272,786)	(286,811)
Income tax benefit	(41,999)	(49,893)

(c) Tax rate changes

On 17 March 2020 legislation was substantively enacted to maintain the corporation tax rate at 19% applicable beginning 1 April 2020. On 11 March 2021, the Government announced that the corporation tax rate applicable from 1 April 2023 will be 25%. The deferred tax assets reflect this rate.

The increase in the corporation tax rate was substantively enacted on 10 June 2021. As a result of the remeasurement at the 25% rate, the Company recorded a deferred tax benefit of £77,142.

Affiliated Managers Group Limited
Notes to the Financial Statements (continued)
For the year ended 31 December 2022

Note 9 Income tax (continued)

(d) Deferred tax asset

	2022	2021
	£	£
Balance at beginning of year	395,191	350,283
Deferred tax benefit	108,887	44,908
Balance at end of year	504,078	395,191

Analysed as:	2022	2021
	£	£
Share-based compensation	431,362	319,923
Capital allowances	72,716	75,268
Total deferred tax asset	504,078	395,191

The Company expects reversals of deferred tax assets of £123,644 to occur during the financial year ended 31 December 2023.

Note 10 Property, plant and equipment

	Leasehold improvements	Computer hardware	Furniture and office equipment	Total
	£	£	£	£
At 31 December 2021				
Cost	161,559	111,077	517,862	790,498
Accumulated depreciation and amortisation	(161,559)	(108,533)	(517,862)	(787,954)
Net book amount	—	2,544	—	2,544
Year ended 31 December 2022				
Opening net book amount	—	2,544	—	2,544
Additions	—	10,373	—	10,373
Depreciation and amortisation	—	(864)	—	(864)
Closing net book amount	—	12,053	—	12,053
At 31 December 2022				
Cost	161,559	121,450	517,862	800,871
Accumulated depreciation and amortisation	(161,559)	(109,397)	(517,862)	(788,818)
Net book amount	—	12,053	—	12,053

Affiliated Managers Group Limited
Notes to the Financial Statements (continued)
For the year ended 31 December 2022

Note 11 Trade and other receivables

	2022	2021 (restated)
	£	£
Due within one year:		
Amounts owed by group undertakings ⁽¹⁾	10,671,847	7,791,981
Prepayments	452,051	370,805
	11,123,898	8,162,786
Due after one year:		
Deferred tax asset	504,078	395,191
Office lease deposit	51,007	63,369
Other assets	29,671	33,709
	584,756	492,269
Total trade and other receivables	11,708,654	8,655,055

⁽¹⁾ As described in Note 3(b), amounts presented for 2021 have been restated.

Amounts owed by group undertakings are unsecured, interest free, have no fixed date of payment, and are repayable on demand.

Note 12 Trade and other payables

	2022	2021 (restated)
	£	£
Amounts falling due within one year:		
Compensation and related expenses	2,155,813	2,102,789
Accruals and deferrals	443,269	231,238
Amounts due to group undertakings ⁽¹⁾	55,061	33,154
Corporation tax ⁽¹⁾	26,456	26,456
	2,680,599	2,393,637
Amounts falling due after one year:		
Accruals and deferrals	300,256	318,348

⁽¹⁾ As described in Note 3(b), amounts presented for 2021 have been restated.

The amounts owed to group undertakings are unsecured, interest free, have no fixed date of payment, and are repayable on demand.

Note 13 Provisions

The Company had the following provision during the year:

	Asset retirement obligation
	£
At 1 January 2022	153,978
Additions	—
At 31 December 2022	153,978

As part of its office leasing arrangements, the Company has an obligation to return leased office space to its original condition. Where the Company has conducted significant leasehold improvements it has an obligation to remove these improvements. The present value of the expected cost is capitalised as a deferred asset; this asset will be amortised to the Statement of Comprehensive Income over the term of the lease. The provision is expected to be utilised at the end of the lease in 2026.

Affiliated Managers Group Limited
Notes to the Financial Statements (continued)
For the year ended 31 December 2022

Note 14 Called-up share capital and other reserves

(a) Called-up share capital

	2022	2021
	£	£
Ordinary shares of £1 each		
Allotted, issued and fully paid:		
At 31 December	100	100

There is a single class of ordinary shares. There are no restrictions on the distribution of dividends and the repayment of capital.

(b) Other reserves

Other reserves are comprised of share-based payments and capital appropriations to the sole shareholder.

Note 15 Operating lease commitments

The Company had the following future minimum lease payments under non-cancellable operating leases for each of the following periods:

Payments due	2022	2021
	£	£
Not later than one year	549,035	490,261
Later than one year and not later than five years	1,210,381	1,497,523
	1,759,416	1,987,784

Note 16 Ultimate parent undertaking

The Company's immediate parent is AMG Global Inc. The Company's ultimate parent undertaking is AMG Inc., the controlling party, a company incorporated in the state of Delaware, United States of America. AMG Inc. is the parent undertaking of the smallest and largest group of undertakings to consolidate these financial statements at 31 December 2022. AMG Inc.'s Annual Report, including its consolidated financial statements, is available from the following address: 777 South Flagler Drive, West Palm Beach, Florida 33401 USA and at AMG Inc.'s website www.amg.com.

Note 17 Subsidiary

The Company's subsidiary, whose results are excluded from the Company's financial statements due to the consolidation exemption disclosed in Note 3(d), is as follows:

Name	Country of Incorporation	Nature of Business	Interest
Affiliated Managers Group (Switzerland) AG	Switzerland	Marketing and investor support	100% ordinary shares

In 2020, the Company entered AMG AG into liquidation and the entity was fully dissolved on 26 March 2021.