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**CSC CAPITAL MARKETS UK LIMITED**

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**DIRECTORS' REPORT AND AUDITED FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2022**

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**CSC CAPITAL MARKETS UK LIMITED**

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**COMPANY INFORMATION**

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<b>Directors</b>	John Earl Hebert John Paul Nowacki Aline Sternberg Debra Amy Parsall Constantinos Kleanthous (appointed 15 November 2017, resigned 25 August 2023) Laurent Belik (appointed 15 November 2017, resigned 26 July 2022) Vinoy Nursiah (appointed 16 January 2018, resigned 19 August 2022)
<b>Company secretary</b>	CSC Corporate Services (UK) Limited
<b>Registered number</b>	10780001
<b>Registered office</b>	5 Churchill Place 10th Floor London United Kingdom E14 5HU
<b>Independent auditors</b>	BDO LLP 55 Baker Street London W1U 7EU

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**CSC CAPITAL MARKETS UK LIMITED**

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**CONTENTS**

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	<b>Pages</b>
<b>Directors' Report</b>	<b>1 - 3</b>
<b>Independent Auditors' Report</b>	<b>4 - 7</b>
<b>Statement of Comprehensive Income</b>	<b>8</b>
<b>Balance Sheet</b>	<b>9</b>
<b>Statement of Changes in Equity</b>	<b>10</b>
<b>Notes to the Financial Statements</b>	<b>11 - 25</b>

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## CSC CAPITAL MARKETS UK LIMITED

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### DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

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The directors present their report and the audited financial statements for CSC Capital Markets UK Limited (the "Company") for the year ended 31 December 2022.

#### **Directors' responsibilities statement**

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

Company law requires the directors to prepare audited financial statements for each financial year. Under that law the directors have elected to prepare the audited financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 101 'Reduced Disclosure Framework'. Under company law the directors must not approve the audited financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

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

#### **Principal activity**

The Company's principal activities are the provision of corporate governance services and other management services to special purpose companies involved in the securitisation, structured finance and private equity industries.

#### **Going concern**

The directors have assessed the going concern position of the Company and consider it appropriate to prepare these financial statements on the going concern basis. More details can be found in note 2.4 of the financial statements.

#### **Results and dividends**

The profit for the year, after taxation, amounted to £29,741 (2021: £29,830).

The directors do not recommend a dividend payment for the financial year ended 31 December 2022 (2021: £nil).

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## CSC CAPITAL MARKETS UK LIMITED

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### DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

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#### Directors

The directors who served during the year and as at the date of this report were:

Jonathan Hanly

John Paul Nowacki

Aline Sternberg

Debra Amy Parsall

Constantinos Kleanthous (appointed 15 November 2017, resigned 25 August 2023)

Laurent Belik (appointed 15 November 2017, resigned 26 July 2022)

Vinoy Nursiah (appointed 16 January 2018, resigned 19 August 2022)

#### Principal risks, uncertainties and mitigants

##### Business risks

The directors of the Company consider business risks on a group-wide level and monitor these risks on a regular basis. The Company complies with the Group's objectives, policies and processes for managing business risks and the methods used to measure them as described in the financial statements of CSC Financial Services Holdings Limited, the Company's parent company and together "the Group" or "the CSC Group". The overall objective of these policies is to reduce risk as far as possible, without unduly affecting the Group's competitiveness and flexibility.

The financial statements of CSC Financial Services Holdings Limited include detailed analysis of the business risks. There have been no substantial changes to the Group's and Company's objectives, policies, processes and methods used to measure these risks.

The Group's and Company's services and infrastructure are supported by skilled staff. The Company is therefore reliant upon its ability to attract, train and retain the right mix of staff.

##### Principal risks

The principal risks and uncertainties faced by the Company are credit risk, liquidity risk and market risk. These risks are managed at both a Company level as well as part of the overall group risk management process.

There have been no substantial changes to the Company's objectives, policies, processes and methods used to measure these risks. These risks are managed both at a Company level as well as part of the overall CSC group risk management process.

#### Significant events during the year

The Russia invasion of Ukraine in February 2022 has had a particular impact on the global economy. The war between the two countries continues to evolve as military activity proceeds and additional sanctions are imposed.

At the time of this report, these circumstances have not resulted in any financial impact for the Company.

**CSC CAPITAL MARKETS UK LIMITED**

**DIRECTORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2022**

**Qualifying third party indemnity provisions**

A directors' and officers' liability insurance policy was maintained by the CSC group throughout the financial year and is in force for the benefit of each of the directors in respect of liabilities incurred as a result of their office, to the extent permitted by law. There are no third party indemnity provisions at year-end (2021: £Nil).

**Disclosure of information to the auditor**

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

**Post balance sheet events**

There have been no significant events since the end of the financial year which require disclosure in these financial statements. The Company continues not to see any direct impact from the war in Ukraine.

**Auditor**

The auditor, BDO LLP, will be proposed for reappointment, in accordance with section 485 of the Companies Act 2006.

**Small companies note**

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

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



Jonathan Hanly  
Director  
Date: 30 January 2024

## **Independent auditor's report to the members of CSC Capital Markets UK Limited**

### **Opinion on the financial statements**

In our opinion:

- the financial statements give a true and fair view of the state of the Company's affairs as at 31 December 2022 and of its profit for the year then ended;
- the financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of CSC Capital Markets UK Limited (the "Company") for the year ended 31 December 2022 which comprise the statement of comprehensive income, the statement of financial position, the statement of changes in equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 'Reduced Disclosure Framework'.

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

### *Independence*

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 FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

### **Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

### **Other information**

The directors are responsible for the other information. The other information comprises the information included in the annual report and audited financial statements, other than the financial statements and our auditor's report thereon. 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.

### **Other Companies Act 2006 reporting**

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

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has 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 material misstatements in the directors' report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

### **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.

#### **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.

#### *Extent to which the audit was 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:

#### *Non-compliance with laws and regulations*

Based on:

- Our understanding of the Company and the industry in which it operates;
- Discussion with management and those charged with governance; and
- Obtaining and understanding of the Company's policies and procedures regarding compliance with laws and regulations

we considered the significant laws and regulations to be the applicable accounting framework and UK tax legislation including VAT and employment taxes.

The Company is also subject to laws and regulations where the consequences of non-compliance could have a material effect on the amount or disclosures in the financial statements, for example through the imposition of fines or litigations.

Our procedures in respect of the above included:

- Review of minutes of meeting of those charged with governance for any instances of non-compliance with laws and regulations;
- Review of financial statement disclosures and agreeing to supporting documentation; and
- Review of legal expenditure accounts to understand the nature of expenditure incurred.

#### *Fraud*

We assessed the susceptibility of the financial statements to material misstatement, including fraud. Our risk assessment procedures included:

- Enquiry with management and those charged with governance regarding any known or suspected instances of fraud;
- Obtaining an understanding of the Company's policies and procedures relating to:
  - Detecting and responding to the risks of fraud; and
  - Internal controls established to mitigate risks related to fraud.
- Review of minutes of meeting of those charged with governance for any known or suspected instances of fraud;
- Discussion amongst the engagement team as to how and where fraud might occur in the financial statements;
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- Review of cash movements pre year end and post year end for any indicators of unusual transactions; and
- Performing unpredictable procedures as part of our substantive audit testing to assess if transactions are within the normal course of business.

## CSC CAPITAL MARKETS UK LIMITED

Based on our risk assessment, we considered the areas most susceptible to fraud to be financial reporting and revenue recognition.

Our procedures in respect of the above included:

- The risk of management override of controls, which is pervasive to the financial statements
  - o We obtained an understanding of the financial reporting process and evaluated the design and implementation of controls in place.
  - o We included procedures designed to identify and test journal entries based on risk criteria to assess whether there was evidence of management bias by agreeing these journal entries to supporting documentation and evaluating the business rationale behind these journal entries.
- The risk fraud in revenue recognition
  - o We obtained an understanding of the revenue recognition process and evaluated the design and implementation of controls in place.
  - o In addition to a test of details over revenue transactions by obtaining supporting documentation, we have further tested the revenue journals pairing to assess for any unusual postings.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members who were all deemed to have appropriate competence and capabilities and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that 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, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities is available on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

### Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:

*Simon Peter Fowles*

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Simon Fowles (Senior Statutory Auditor)

For and on behalf of BDO LLP, Statutory Auditor  
London, UK

31 January 2024

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

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**CSC CAPITAL MARKETS UK LIMITED**

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**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2022**

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	Note	2022 £	2021 <i>Restated</i> £
Turnover	5	5,514,198	3,874,474
<b>Gross profit</b>		<u>5,514,198</u>	<u>3,874,474</u>
Administrative expenses	8	(7,568,438)	(5,173,212)
Other operating income	6	2,268,891	1,533,963
<b>Operating profit</b>		<u>214,651</u>	<u>235,225</u>
Interest payable and similar expenses	12	(184,910)	(205,395)
<b>Profit before tax</b>		<u>29,741</u>	<u>29,830</u>
Tax charge	13	-	-
<b>Profit for the financial year</b>		<u>29,741</u>	<u>29,830</u>

There were no recognised gains and losses for 2022 or 2021 other than those included in the statement of comprehensive income. The statement of comprehensive income has been prepared on the basis that all operations are continuing operations.

There was no other comprehensive income for 2022 (2021: £ nil).

The notes on pages 11 to 25 form part of these financial statements.

The amounts presented for 2021 are restated. Refer to note 4 for details.

**CSC CAPITAL MARKETS UK LIMITED**

**STATEMENT OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2022**

	Note	2022 £	2021 £
<b>Non-current assets</b>			
Tangible assets	14	1,239	6,319
Investments	15	5	5
Debtors: amounts falling due after more than one year	16	3,430,792	1,008,435
		3,432,036	1,014,750
<b>Current assets</b>			
Debtors: amounts falling due within one year	16	2,119,371	1,772,357
Cash at bank	17	1,619,308	1,758,923
		3,738,679	3,531,280
Creditors: amounts falling due within one year	18	(3,204,989)	(2,386,788)
<b>Net current assets</b>		533,690	1,144,492
<b>Total assets less current liabilities</b>		3,965,726	2,159,251
Creditors: amounts falling due after more than one year	19	(7,603,491)	(5,882,689)
<b>Net assets</b>		(3,637,765)	(3,723,438)
<b>Capital and reserves</b>			
Called up share capital	20	1	1
Other reserves		355,650	299,718
Profit and loss account		(3,993,416)	(4,023,157)
		(3,637,765)	(3,723,438)

The Company's financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:



**Jonathan Hanly**

Director

Date: 30 January 2024

The notes on pages 11 to 25 form part of these financial statements.

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**CSC CAPITAL MARKETS UK LIMITED**

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**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2022**

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	Called up share £	Other reserves £	Profit and loss £	Total equity £
<b>At 1 January 2021</b>	1	270,574	(4,052,987)	(3,782,412)
<b>Comprehensive income for the year</b>				
Profit for the year	-	-	29,830	29,830
Share based payment	-	29,144	-	29,144
<b>At 1 January 2022</b>	1	299,718	(4,023,157)	(3,723,438)
<b>Comprehensive income for the year</b>				
Profit for the year	-	-	29,741	29,741
Share based payment	-	55,932	-	55,932
<b>At 31 December 2022</b>	1	355,650	(3,993,416)	(3,637,765)

The notes on pages 11 to 25 form part of these financial statements.

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## CSC CAPITAL MARKETS UK LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

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#### 1. General information

CSC Capital Markets UK Limited is a private company limited by shares, incorporated and domiciled in England. The address of the registered office is 10th Floor, 5 Churchill Place, London E14 5HU. The nature of the Company's operations is the provision of corporate governance services and other management services to special purpose companies involved in the securitisation, structured finance and private equity industries.

#### 2. Basis of preparation and accounting policies

##### 2.1 Basis of preparation of financial statements

The Directors have adjusted the format of the Statement of Comprehensive Income as allowed under the Companies Act 2006. This adjustment takes into account the opinion of the Directors that net interest income constitutes a more appropriate reflection of the Company's activities than turnover and cost of sale in the Statement of Comprehensive Income.

The preparation of financial statements in compliance with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

##### 2.2 Financial reporting standard 101 – reduced disclosure framework

The Company has taken advantage of the following disclosure exemptions under FRS 101:

- the requirements of paragraphs 45(b) and 46-52 of IFRS 2 Share based payment
- the requirements of paragraphs 62, B64(d), B64(e), B64(g), B64(h), B64(j) to B64(m), B64(n)(ii), B64(o)(ii), B64(p), B64(q)(ii), B66 and B67 of IFRS 3 Business Combinations
- the requirements of IFRS 7 Financial Instruments: Disclosures
- the requirements of paragraphs 91-99 of IFRS 13 Fair Value Measurement
- the requirements of the second sentence of paragraph 110 and paragraphs 113(a), 114, 115, 118, 119(a) to (c), 120 to 127 and 129 of IFRS 15 Revenue from Contracts with Customers
- the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of:
  - paragraph 79(a)(iv) of IAS 1;
- the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D, 111 and 134-136 of IAS 1 Presentation of Financial Statements
- the requirements of IAS 7 Statement of Cash Flows
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors
- the requirements of paragraph 17 and 18A of IAS 24 Related Party Disclosures
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member

##### 2.3 Exemption from preparing consolidated financial statements

The Company is a wholly-owned subsidiary of CSC Capital Markets Holding Company Limited and is included in the consolidated financial statements of its ultimate parent Company, WMB Holding Inc, which are publicly available. Consequently, the Company has taken advantage of the exemption from preparing consolidated financial statements under the terms of section 400 of the Companies Act 2006.

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## CSC CAPITAL MARKETS UK LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

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#### 2. Basis of preparation and accounting policies (continued)

##### 2.4 Going concern

The Company is in a net current asset position of £533,690 (2021: £1,144,492). The directors have considered the Company's performance and other events and conditions post year end (across 2023 and for at least the next 12 months after signing of these accounts). The continued rapid growth of the Company is reflected in the year-on-year increase in revenue. The Company has continued to perform with no issues identified to date in revenues or cash receipts.

The continuous growth of the Company is driven by the new client pipeline from end of 2022, across 2023 and start of 2024, which adds to annuity income from capital markets transactions. The lifetime of these deals typically last between 3 and 25 years. In 2023, 78 new transactions were onboarded with an annualised revenue of around £1.7M. As the Company is growing, it is able to strengthen its revenue baseline and is in a confident position to continue servicing existing and new clients.

The Company has obtained a letter of support from its ultimate parent company, WMB Holdings Inc., which pledges financial support to cover existing and projected third party liabilities of the Company. In addition to pledging financial support to cover existing and projected third party liabilities, WMB Holdings, Inc will not demand or allow any other group companies to call upon repayment of intercompany balances owed by the Company or any subsidiaries unless the Company or subsidiary has sufficient funds to pay its debts as they fall due for at least 12 months following approval of these financial statements.

The directors have prepared budgets and cash flows for a period of at least 12 months from the date of approval of these financial statements. The directors have stress tested and reverse stress tested these forecasts prepared under adverse but plausible scenarios. The plausible scenarios show the Company as being solvent and able to meet its liabilities as they fall due. Key ratios continue to be monitored closely and are considered in the context of the Company's performance and wider external market conditions and events.

Therefore, the directors consider it appropriate to prepare these financial statements on the going concern basis.

##### 2.5 Impact of new international reporting standards, amendments and interpretations

- (i) New standards, interpretations and amendments issued and effective from 1 January 2022:
  - Property, Plant and Equipment: Proceeds before Intended Use – Amendments to IAS 16;
  - Onerous contracts – Cost of Fulfilling a Contract – Amendments to IAS 37;
  - Annual Improvements to IFRS Standards 2018-2020; and
  - Reference to the Conceptual Framework – Amendments to IFRS 3.

These amendments are not relevant to the Company and had no impact on the financial statements of the Company.

- (ii) New standards, interpretations and amendments not yet effective

Certain new accounting standards, amendments to standards, and interpretations which have been issued by the IASB that are effective in future accounting periods have not been adopted early by the Company. These standards are not expected to have a material impact to the Company in the current or future reporting periods and on foreseeable future transactions.

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## CSC CAPITAL MARKETS UK LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

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#### 2. Basis of preparation and accounting policies (continued)

##### 2.6 Foreign currency translation

###### Functional and presentation currency

The Company's functional and presentational currency is GBP.

###### Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Nonmonetary items measured at historical cost are translated 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 profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of Comprehensive Income in profit or loss within 'administrative expenses'. All other foreign exchange gains and losses are also presented in profit or loss within 'administrative expenses'.

##### 2.7 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

###### Rendering of services

Revenue from providing services is recognised in the accounting period in which the services are rendered.

For fixed-price contracts, revenue is recognised based on the actual service provided to the end of the reporting period as a proportion of the total services to be provided because the customer receives and uses the benefits simultaneously.

Revenue is recognised to the pro-rata part of the services rendered to the client during the reporting date or in line with performance and delivery of these services. Where services are billed in advance revenue is deferred until the services have been provided.

##### 2.8 Recharge policy

The employees of the Company provide various services to other group entities and as a result /certain costs, including payroll costs, are recharged to these entities. An error was made in respect of that recharge in prior year, as a result of which the comparatives have been restated. See note 4 for further details.



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## CSC CAPITAL MARKETS UK LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

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#### 2. Basis of preparation and accounting policies (continued)

##### 2.9 Interest payable

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

##### 2.10 Borrowing costs

All borrowing costs are recognised in profit or loss in the year in which they are incurred.

##### 2.11 Pensions

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the Company in independently administered funds.

##### 2.12 Share-based payments

CSC Capital Markets Holding Company Limited, the Company's immediate parent, sold shares at a discount to the employees of the Company, the value of which is subject to certain vesting conditions. These have been accounted for as equity-settled share-based payments. The fair value of the shares are estimated at the grant date and an equal amount is charged through the income statement at each balance sheet dates. CSC Capital Markets UK Limited will not cash settle with CSC Capital Markets Holding Company Limited, therefore the share-based payment is accounted

for as a capital contribution. The scheme closed in December 2020 when all the shares were repurchased from the employees of the Company. WMB Holdings Inc., the ultimate parent company, issued shadow stock and share appreciation rights to employees of the Company for no consideration, the value of which is subject to certain vesting conditions. These have been accounted for as equity-settled share-based payments. The fair value of the instruments are estimated at the grant date and an equal amount is charged through the Statement of Comprehensive Income at each reporting date. CSC Capital Markets UK Limited will not cash settle, as the responsibility for settlement lies with the ultimate parent company, therefore the share-based payment is accounted for as a capital contribution.

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## CSC CAPITAL MARKETS UK LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

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#### 2. Basis of preparation and accounting policies (continued)

##### 2.13 Taxation

Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operate and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of Financial Position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

##### 2.14 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

At each reporting date the Company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

The Company adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the Company. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to profit or loss during the period in which they are incurred. Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Computer equipment	3-5 years straight line
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The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

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## CSC CAPITAL MARKETS UK LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

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#### 2. Basis of preparation and accounting policies (continued)

##### 2.15 Investment in subsidiaries

Investments in subsidiaries are measured at cost less accumulated impairment. The carrying values of fixed asset investments are reviewed for impairment at each reporting period end date or more frequently if events or changes in circumstances indicate the carrying value may not be recoverable.

##### 2.16 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

##### 2.17 Cash and cash equivalents

Cash is represented by cash and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

##### 2.18 Creditors

Creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Creditors are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

##### 2.19 Holiday pay accrual

A liability is recognised to the extent of any unused holiday pay entitlement which is accrued at the Statement of Financial Position date and carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement so accrued at the Statement of Financial Position date.

##### 2.20 Financial instruments

The Company recognises financial instruments when it becomes a party to the contractual arrangements of the instrument. Financial instruments are de-recognised when they are discharged or when the contractual terms expire. The Company's accounting policies in respect of financial instruments transactions are explained below:

Financial assets and financial liabilities are initially measured at fair value or cost less accumulated impairment or depreciation.

###### Financial assets

All recognised financial assets are subsequently measured in their entirety at either fair value or amortised cost, depending on the classification of the financial assets.

###### Fair value through profit or loss

All of the Company's financial assets other than those which meet the criteria to be measured at amortised cost or fair value through other comprehensive income are subsequently measured at fair value at the end of each reporting period, with any fair value gains or losses being recognised in profit or loss to the extent they are not part of a designated hedging relationship. The net gain or loss recognised in profit or loss includes any dividend or interest earned on the financial asset.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

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**2. Basis of preparation and accounting policies (continued)**

**2.20 Financial instruments (continued)**

**Debt instruments at amortised cost**

Debt instruments are subsequently measured at amortised cost where they are financial assets held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and selling the financial assets, and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Amortised cost is calculated using the effective interest method and represents the amount measured at initial recognition less repayments of principal plus the cumulative amortisation using the effective interest method of any difference between the initial amount and the maturity amount, adjusted for any loss allowance.

**Debt instruments at fair value through other comprehensive income**

Debt instruments are subsequently measured at fair value through other comprehensive income where they are financial assets held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets, and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

**Impairment of financial assets**

The Company recognises a loss allowance for expected credit losses on investments in debt instruments that are measured at amortised or at fair value through other comprehensive income ("FVOCI"). The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Company always recognises lifetime ECL for trade receivables and amounts due on contracts with customers. The expected credit losses on these financial assets are estimated based on the Company's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate. Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument.

**Financial liabilities**

**Fair value through profit or loss**

Financial liabilities are classified as fair value through profit or loss, when the financial liability is held for trading, or is designated as fair value through profit or loss. This designation may be made if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise, or the financial liability forms part of a group of financial instruments which is managed and its performance is evaluated on a fair value basis, or the financial liability forms part of a contract containing one or more embedded derivatives, and IFRS 9 permits the entire combined contract to be designated as at fair value through profit or loss. Any gains or losses arising on changes in fair value are recognised in profit or loss to the extent that they are not part of a designated hedging relationship.

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**CSC CAPITAL MARKETS UK LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

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**2. Basis of preparation and accounting policies (continued)**

**2.20 Financial instruments (continued)**

**Financial liabilities (continued)**

**At amortised cost**

Financial liabilities which are neither contingent consideration of an acquirer in a business combination, held for trading, nor designated as at fair value through profit or loss are subsequently measured at amortised cost using the effective interest method. This is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or where appropriate a shorter period, to the amortised cost of a financial liability.

**3. Judgements in applying accounting policies and key sources of estimation uncertainty**

The preparation of the financial statements requires directors to make judgement, estimates and assumptions that affect the application of accounting policies and reported amounts of assets liabilities, income and expenses. There are no significant estimates or judgements in these financial statements.

**4. Prior year restatement**

In 2022 the Company corrected an error in the accounting treatment of payroll recharges between group entities. Prior to the correction the Company payroll recharges were directly being booked under payroll expenses forming part of administrative expenses. From 2022 onwards these are booked under other operating income. Therefore administrative expenses are reported gross and the recharge amount reported separately. As a result the comparatives disclosed in the accounts have been restated for comparability.

	2021 £	2021 restatement made (reclassification) £	2021 Restated £
Turnover	3,874,474	-	3,874,474
Gross profit	3,874,474	-	3,874,474
Administrative expenses	(3,881,493)	(1,291,719)	(5,173,212)
Other operating income	242,244	1,291,719	1,533,963
Operating profit/(loss)	235,225	-	235,225
Interest payable and expenses	205,395	-	205,395
Profit/(loss) before tax	29,830	-	29,830
Tax charge	-	-	-
Profit for the financial year	<u>29,830</u>	<u>-</u>	<u>29,830</u>

**5. Turnover**

In the opinion of the directors, the Company's activities constitute one class of business.

	2022 £	2021 £
United Kingdom	5,045,116	3,515,963
Rest of Europe	359,153	353,656
Rest of the world	109,929	4,855
	<u>5,514,198</u>	<u>3,874,474</u>

**CSC CAPITAL MARKETS UK LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

**6. Other operating income**

	2022 £	2021 <i>Restated</i> £
Intercompany payroll recharge	2,268,891	1,533,963
	<u>2,268,891</u>	<u>1,533,963</u>

**7. Operating profit**

The operating profit is stated after charging:

	2022 £	2021 £
Depreciation of fixed assets	5,081	15,558
Amortisation of intangible assets	-	7,058
Exchange (gain)/loss	(25,653)	31,912
Defined contribution pension cost	<u>155,477</u>	<u>104,572</u>

**8. Administrative expenses (including directors' emoluments)**

	2022 £	2021 <i>Restated</i> £
Wages and salaries	4,566,947	2,811,128
Social security costs	549,214	330,817
Other pension costs	155,477	104,571
Depreciation and amortisation	5,081	22,616
Other administrative costs	2,235,787	1,874,936
Share-based payment	55,932	29,144
	<u>7,568,438</u>	<u>5,173,212</u>

**9. Auditor's remuneration**

	2022 £	2021 <i>Restated</i> £
Fees payable to the Company's auditor and its associates for the audit of the Company's annual financial statements	<u>35,750</u>	<u>28,600</u>

The amounts above are not inclusive of VAT.

**10. Employees**

The average monthly number of employees, including the directors, during the year was as follows:

	2022 No.	2021 <i>Restated</i> No.
Operational	<u>43</u>	<u>28</u>

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**CSC CAPITAL MARKETS UK LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

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**11. Director's remuneration**

Included in direct employee expenses is an amount for key management remuneration paid by the Company. Key management has been defined as the directors of CSC Capital Markets UK Limited at any time during the current year and prior period.

The highest paid director received an aggregate remuneration of £329,229 (2021: £248,416). The value of the company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £3,655 (2021: £12,772). The total accrued pension provision of the highest paid director at 31 December 2022 amounted to £Nil (2021: £2,211).

	2022 £	2021 £
Directors' emoluments	1,176,296	1,068,278
Pension contributions during the year	<u>38,691</u>	<u>51,634</u>
	<u>1,214,987</u>	<u>1,119,912</u>

The amounts include Employers' National Insurance contribution of £136,315 (2021: £116,722) in relation to directors' emoluments and £2,497 (2021: £3,333) in relation to the pension contribution.

**12. Interest payable and similar expenses**

	2022 £	2021 £
Bank interest payable	80	0
Loans from group undertakings	<u>184,830</u>	<u>205,395</u>
	<u>184,910</u>	<u>205,395</u>

Interest is charged on the loan received from CSC Capital Markets Holding Company Limited at a rate of 6% per annum (2021: 6%).

**13. Taxation**

	2022 £	2021 £
<b>Analysis of tax credit / (charge) for the period</b>		
UK corporation tax charge on profit for the year	-	-
Adjustments in respect of prior periods	<u>-</u>	<u>-</u>
<b>Total taxation for the year</b>	<u>-</u>	<u>-</u>

The tax assessed for the year is lower than (2021: lower than) the standard rate of corporation tax in the UK of 19% (2021: 19%). The differences are explained below:

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**CSC CAPITAL MARKETS UK LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

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**13. Taxation (continued)**

Factors affecting the tax charge / (credit)	2022 £	2021 £
Profit before taxation	<u>29,741</u>	<u>29,830</u>
Profit before taxation at the standard rate of corporation tax in the UK of 19% (2021: 19%)	5,651	5,667
Effects of:		
Non taxable income	-	62,917
Income not taxable	-	(46,026)
Accelerated tax depreciation	(2,725)	(20,581)
Group relief surrendered/(claimed)	(2,926)	(1,976)
Adjustments in respect of prior periods	-	-
<b>Total tax charge for the year</b>	<u>-</u>	<u>-</u>

Group relief is surrendered to UK companies in the wider CSC Group, under the rules contained in the Corporation Tax Act 2010.

No deferred tax assets or liabilities are recognised at the financial year end.

**Factors that may affect future tax charges**

From 1 April 2023, the corporation tax main rate for non-ring fenced profits will be increased to 25% applying to profits over £250,000. A small profits rate (SPR) will also be introduced for companies with profits of £50,000 or less so that they will continue to pay corporation tax at 19%. Companies with profits between £50,000 and £250,000 will pay tax at the main rate reduced by a marginal relief providing a gradual increase in the effective corporation tax rate. The rate has not been substantively enacted at the balance sheet date.

**14. Tangible fixed assets**

	Computer equipment £
Cost	
At 1 January 2022	<u>53,327</u>
At 31 December 2022	<u>53,327</u>
Depreciation	
At 1 January 2022	47,007
Charge for the year	<u>5,081</u>
At 31 December 2022	<u>52,088</u>
Net book value	
At 31 December 2022	<u>1,239</u>
At 31 December 2021	<u>6,319</u>



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**CSC CAPITAL MARKETS UK LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

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**15. Investments**

Investments in  
subsidiaries

£

At 1 January 2022 and 31 December 2021

5

As at the end of the financial year, the Company holds investments in the following subsidiaries:

<b>Name</b>	<b>Registered office</b>	<b>Country of incorporation</b>	<b>Holding</b>
CSC Corporate Services (UK) Limited	10th Floor, 5 Churchill Place, London E14 5HU	UK	100%
CSC Directors (No.1) Limited	10th Floor, 5 Churchill Place, London E14 5HU	UK	100%
CSC Directors (No. 2) Limited	10th Floor, 5 Churchill Place, London E14 5HU	UK	100%
CSC Trustees Limited	10th Floor, 5 Churchill Place, London E14 5HU	UK	100%
Emerging Markets Trustees Limited	10th Floor, 5 Churchill Place, London E14 5HU	UK	100%

**16. Debtors**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Due after more than one year:		
Amounts owed by group undertakings	<u>3,430,792</u>	<u>1,008,435</u>
	<u>3,430,792</u>	<u>1,008,435</u>
	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Due after more than one year:		
Trade debtors	1,260,559	609,855
Prepayments and accrued income	<u>858,812</u>	<u>1,162,502</u>
	<u>2,119,371</u>	<u>1,772,357</u>

Amounts owed by group undertakings are interest free, unsecured and repayable on demand. At 31 December 2022 amounts owed by group undertakings are classified as non-current as the ultimate parent company has confirmed that it will not allow any other group undertaking to demand repayment of intercompany balances owed by the Company, unless the Company has sufficient funds to pay its debts as they fall due for at least 12 months following approval of these financial statements.

**CSC CAPITAL MARKETS UK LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

**17. Cash and cash equivalents**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Cash at banks	1,619,308	1,758,923
	<u>1,619,308</u>	<u>1,758,923</u>

**18. Creditors: Amounts falling due within one year**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Trade creditors	174,340	26,514
Other taxation and social security	561,668	312,280
Other creditors	11,874	3,536
Accruals and deferred income	2,457,107	2,044,458
	<u>3,204,989</u>	<u>2,386,788</u>

**19. Creditors: Amounts falling due after more than one year**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Loan from group companies	3,709,573	4,024,743
Amounts owed to group undertakings	3,893,918	1,857,946
	<u>7,603,491</u>	<u>5,882,689</u>

The Company entered into a loan agreement with its parent company, CSC Capital Markets Holding Company Limited (the "Parent"). The maximum amount available under the loan agreement is £4,000,000 (2021: £4,000,000). As at 31 December 2022, the accumulated interest included in the loan balance is £700,030 (2021: £515,200). The interest charge on the loan during the year was £184,830 (2021: £205,395). The outstanding balance of the loan, excluding interest is £3,009,543 (2021: £3,509,543).

The interest rate on the loan is 6% (2021: 6%) and accrued for on a daily basis. The Company has made a repayment of £500,000 in the year (2021: £nil). Amounts due to group companies are unsecured, interest free, have no fixed date of repayment.

Amounts owed to group undertakings are interest free, unsecured and repayable on demand. At 31 December 2022 amounts owed to group undertakings are classified as non-current as the ultimate parent company has confirmed that it will not allow any other group undertaking to demand repayment of intercompany balances owed by the Company, unless the Company has sufficient funds to pay its debts as they fall due for at least 12 months following approval of these financial statements.

**20. Share Capital**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Allotted, called up and fully paid		
1 (2021 : 1) Ordinary share of £1.00	<u>1</u>	<u>1</u>

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## CSC CAPITAL MARKETS UK LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

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#### 21. Share Based Payments

WMB Holdings Inc., the ultimate parent company, issued shadow stock and share appreciation rights to employees of the Company for no consideration, the value of which is subject to certain vesting conditions. These have been accounted for as equity-settled share-based payments. The fair value of the instruments are estimated at the grant date and an equal amount is charged through the Statement of Comprehensive Income at each balance sheet date. CSC Capital Markets UK Limited will not cash settle, as the responsibility for settlement lies with the ultimate parent company, therefore the share-based payment is accounted for as a capital contribution.

The expense recognised for the shadow stock and share appreciation rights in the financial statements in the year is £55,932 (2021: £29,144).

##### Shadow Stock

These instruments are issued to employees for no consideration and vest over 11 years, whereby there is no vesting in year 1 and years 2-11 vest evenly over the period, as long as the employees remain employed within the Company. The charge is recognised evenly in the Statement of Comprehensive Income evenly over 11 years. The instruments are exercisable upon leaving the Company and will be settled in cash with responsibility for settlement lying with the ultimate parent company, WMB Holdings Inc.

The fair value of these instruments at grant date are calculated by an independent 3rd party using a discounted cash flow model using a discount rate of 10% (2021:10%). The charge to the Statement of Comprehensive Income in the year is £15,574 (2021: £10,109). The weighted average settlement price of instruments settled in the year was £nil per unit. There were 2.272 (2021: 6.577) units of stocks granted to employees of the Company during the year, of which nil (2021: nil) units were exercised and 0.026 (2021: 0.062) units were forfeited in the year.

##### Share Appreciation Rights

These instruments are issued to employees for no consideration and vest evenly over 5 years and are exercisable up to 2 years after fully vesting, as long as the employees remain employed with the Company. Settlement calculation is the increase in value from grant date to exercise date and is settled in cash with responsibility lying with the ultimate parent company, WMB Holdings Inc. The charge is recognised evenly in the Statement of Comprehensive Income evenly over 5 years.

The fair value of these instruments are determined using a Black-Scholes model using inputs for 2022 including:

Weighted average grant price:	£32,434 (2021: £23,574)
Weighted average exercise price:	£32,434 (2021: £23,574)
Expected volatility:	15.55% (2021: 15.55%)
Option life:	5 years
Expected dividend yield:	1.2%
Risk-free interest rate range:	1.63% - 2.15% (2021: 1.63% - 2.07%)

The expected volatility is based on historic volatility.

The charge to the Statement of Comprehensive Income in the year is £40,358 (2021: £19,035). The exercise price of all unvested options is £32,434 (2021: £23,574) and have a remaining contractual life between 1 – 4 years. The weighted average settlement price of instruments settled in the year was £32,434 (2021: £23,574).

The number of share appreciation rights granted to employees of the Company during the year is 21 (2021: 27). None were forfeited or exercised in the year.

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**CSC CAPITAL MARKETS UK LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

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**22. Post balance sheet events**

There have been no significant events since the end of the financial year which require disclosure in these financial statements.

**23. Controlling party**

As at 31 December 2022 and at the date of approval of the financial statements, the immediate parent company was CSC Capital Markets Holding Company Limited, which is located in the United Kingdom. The ultimate parent company and controlling party is WMB Holdings Inc, a privately held corporation located in Wilmington, Delaware, USA.

The Company is a wholly-owned subsidiary of CSC Capital Markets Holding Company Limited and is included in the consolidated financial statements of WMB Holdings, Inc., a company incorporated in Wilmington, Delaware, USA, which is available at their registered address 251 Little Falls Drive, Wilmington, DE 19808, United States. Consequently, the Company has taken advantage of the exemption from preparing consolidated financial statements under the terms of section 400 of the Companies Act 2006.