000181-20

In accordance with Regulation 32 of the Overseas Companies Regulations 2009.

OS AA01

Statement of details of parent law and other information for an overseas company

Companies House

WEDNESDAY

AC47H80X
A01 24/05/2023 #161
COMPANIES HOUSE

✓ **What this form is for**
You may use this form to accompany your accounts disclosed under parent law.

✗ **What this form is**
You cannot use this an alteration of ma with accounting re

Part 1 Corporate company name

→ **Filling in this form**
Please complete in typescript or in *bold black capitals.*
All fields are mandatory unless specified or indicated by *

Corporate name of overseas company ❶	P.V.M. Oil Associates Limited
UK establishment number	B R 0 1 0 9 8 4

❶ This is the name of the company in its home state.

Part 2 Statement of details of parent law and other information for an overseas company

A1 Legislation

Please give the legislation under which the accounts have been prepared and, if applicable, the legislation under which the accounts have been audited.

Legislation ❷	Bermuda

❷ This means the relevant rules or legislation which regulates the preparation and, if applicable, the audit of accounts.

A2 Accounting principles

Accounts

Have the accounts been prepared in accordance with a set of generally accepted accounting principles?
Please tick the appropriate box.

- ☐ **No.** Go to **Section A3.**
- ☑ **Yes.** Please enter the name of the organisation or other body which issued those principles below, and then go to **Section A3.**

Name of organisation or body ❸	FRS

❸ Please insert the name of the appropriate accounting organisation or body.

A3 Accounts

Accounts

Have the accounts been audited? Please tick the appropriate box.

- ☐ **No.** Go to **Section A5.**
- ☑ **Yes.** Go to **Section A4.**

OS AA01

Statement of details of parent law and other information for an overseas company

A4 Audited accounts

Audited accounts	Have the accounts been audited in accordance with a set of generally accepted auditing standards? Please tick the appropriate box. ☐ **No.** Go to **Part 3 'Signature'**. ☑ **Yes.** Please enter the name of the organisation or other body which issued those standards below, and then go to **Part 3 'Signature'**.	❶ Please insert the name of the appropriate accounting organisation or body.
Name of organisation or body ❶	International Standards on Auditing (UK)	

A5 Unaudited accounts

Unaudited accounts	Is the company required to have its accounts audited? Please tick the appropriate box. ☐ **No.** ☐ **Yes.**

Part 3 Signature

I am signing this form on behalf of the overseas company.

Signature	Signature X [signature] X
	This form may be signed by: Director, Secretary, Permanent representative.

OS AA01

Statement of details of parent law and other information for an overseas company

Presenter information

You do not have to give any contact information, but if you do it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name	Company Secretarial
Company name	TP ICAP Group plc
Address	9th Floor, 135 Bishopsgate
Post town	London
County/Region	
Postcode	E C 2 M 3 T P
Country	
DX	
Telephone	

Checklist

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

- ☐ The company name and, if appropriate, the registered number, match the information held on the public Register.
- ☐ You have completed all sections of the form, if appropriate.
- ☐ You have signed the form.

Important information

Please note that all this information will appear on the public record.

Where to send

You may return this form to any Companies House address:

England and Wales:
The Registrar of Companies, Companies House, Crown Way, Cardiff, Wales, CF14 3UZ.
DX 33050 Cardiff.

Scotland:
The Registrar of Companies, Companies House, Fourth floor, Edinburgh Quay 2, 139 Fountainbridge, Edinburgh, Scotland, EH3 9FF.
DX ED235 Edinburgh 1
or LP - 4 Edinburgh 2 (Legal Post).

Northern Ireland:
The Registrar of Companies, Companies House, Second Floor, The Linenhall, 32-38 Linenhall Street, Belfast, Northern Ireland, BT2 8BG.
DX 481 N.R. Belfast 1.

Further information

For further information, please see the guidance notes on the website at www.companieshouse.gov.uk or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.companieshouse.gov.uk

Company Number FC010229

P.V.M. Oil Associates Limited

Annual Report and Financial Statements - 31 December 2022

STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

The Directors present their Annual Report and the audited financial statements of P.V.M. Oil Associates Limited (the "Company") for the year ended 31 December 2022.

The Company is a private company limited by shares, incorporated in Bermuda. The registered office is Cedar House, 3rd Floor, 41 Cedar Avenue, Hamilton, HM12, Bermuda.

PRINCIPAL ACTIVITIES

The Company's principal activities include over-the-counter broking of swaps, forwards and physical crude oil and refined products, together with exchange broking of contracts. The Company's UK branch is regulated by the Financial Conduct Authority ("FCA") and the National Futures Association ("NFA"). The Company expects to transfer its operational activities to a fellow subsidiary of the Group within twelve months following the approval of these financial statements, after which event the Company will not be active in its principal activity and will cease to trade.

The Company is a wholly owned subsidiary of TP ICAP EMEA Investments Limited. The Company's ultimate parent company and controlling party is TP ICAP Group plc (the "Group").

BUSINESS REVIEW AND FUTURE DEVELOPMENTS

The Directors consider that the year-end financial position was satisfactory and are currently reviewing the role of the Company within the Group. As a result, it is expected that the operational activities of the Company will be transferred to a fellow subsidiary of the Group within twelve months following the approval of these financial statements, allowing the Group to consolidate trading and broking activities, after which the Company will cease to trade. On that basis, the financial statements have been prepared on a basis other than going concern.

The Company is an active inter-dealer broker in wholesale markets across a wide range of asset classes which comprise of credit, equities, rates, futures and emerging markets.

RESULTS

The results of the Company are set out in the Statement of profit or loss on page 11.

The Company reported a profit after income tax for the year of $19,050,000 (2021: $15,009,000). Year-on-year increase was primarily driven by lower administrative expenses and increased other operating income despite subdued market conditions for Energy & Commodities.

The Company's total assets of $56,193,000 decreased by 5% in 2022 predominantly driven by a decrease in trade debtors. As at 31 December 2022, the net assets of the Company are $52,633,000 (2021: $33,411,000).

PRINCIPAL RISKS AND UNCERTAINTIES

The key risks in the Company's day to day operations can be categorised under Financial Risks, Operational Risks and Strategic Business Risks.

More details on Financial Risks are provided within the notes to the financial statements and include the following:

- Market Risk: the vulnerability of the Company to movements in foreign exchange and interest rates;
- Credit Risk: the risk of financial loss to the Company in the event of non-performance by a client or counterparty with respect to its contractual obligations to the Company;
- Liquidity Risk: the risk that the Company, in periods of corporate or market volatility, will not have access to an appropriate level of cash or funding to enable it to finance ongoing operations or any reasonable unanticipated events on cost effective terms;
- Capital Management Risk: the risk of failure to maintain adequate levels of prudential capital. The Company closely monitors regulatory developments in the market and is actively involved in the consultation and rule-setting process so as to ensure an informed debate on all regulatory issues potentially affecting inter-dealer broking ("IDB") markets, both on an individual firm basis and through trade associations. The Board undertakes an informed assessment of whether the Company holds sufficient capital in the context of the business objectives taking into account the nature of its business model, its risk profile, its risk management framework and its current capital resources;

Operational Risk is the risk of loss resulting from inadequate or failed internal processes, people, systems or external events. Operational risk covers a wide and diverse range of risk types. The overall objective of the Company's operational risk management is not to avoid all potential risks but to proactively identify and assess risks and risk situations and manage them in an efficient and informed manner.

Strategic Business Risk is the risk that the Company's ability to conduct business might be damaged through its failure to adapt to changing market dynamics, market dislocations and continuously evolving customer requirements. These include:

- Risk to technology expertise whereby the Company's ability to retain its position as a leading market infrastructure provider will be dependent on its ability to develop and implement its technology strategy;
- Risk to climate change when the Company fails to address any adverse impact on its business arising from the transactions to a net zero global economy. The Group is in the process of considering how material climate-related issues affect our business strategy. During 2022, this has been carried forward by engagement with senior management, exposures across key sites and business operations, understanding the exposure of our largest suppliers to climate change. During 2023, we continue to understand the impact of climate change and assess any material impact on the Company's financial performance;
- Following the loss of the European Union ("EU") passporting rights as a result of the United Kingdom ("UK")'s withdrawal from the EU ("Brexit"), the Company continues to implement its Brexit transition plan including relocating existing additional UK-based brokers and hiring local brokers in the EU. Despite evolving post Brexit landscape, the Company has been servicing its EU clients effectively;
- Russia's invasion of the Ukraine together with the recent collapse of Silicon Valley Bank and Credit Suisse buyout in March has caused a significant amount of volatility and uncertainty in global markets. Since February 2022, all trading activities with sanctioned clients were ceased. The Company continues to monitor relevant exposures and execute any relevant mitigating actions as necessary.

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

STATEMENT OF GOVERNANCE

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

Our stakeholders

The Company believes that effective engagement with our shareholders and wider stakeholder groups is central to the Group's long-term success. During 2022, we maintained our engagement with all our stakeholders. As part of this work, we increased our focus on environmental, social and governance ("ESG") matters. During the year, the Company conducted an annual review of its risk and governance framework. The adopted framework further clarified the divisions of responsibilities within the Group.

- Shareholders
  The Directors believe that engagement with our shareholders is of key importance to the business. During the year, the Directors considered, approved and paid dividends as appropriate to its shareholders, having considered the impact of a distribution on the long-term prospects of the business. At Group level, a tailored engagement approach is undertaken with the Group's shareholders. Details of the approach taken with the Group's shareholders are included in the Group Annual Report which does not form part of this report.
- Employees
  Employees are central to the long-term success of the Company, and, as such the Directors consider their interests in its decision-making. A Group Board Non-executive Director Engagement programme with employees has been running for a number of years. These initiatives coupled with engagement surveys, have provided invaluable feedback and helped senior management understand the areas that employees wanted to prioritise and progress. Various employee networks exist across the Group, with events held, to help employees better connect, network and increase understanding across the firm. Further engagement activities are planned for 2023. The Group's new Triple A core values of accountability, adaptability and authenticity are integral to the long-term success of the business and the Directors are committed to promoting a culture which embodies the highest possible standards. We will also be focussing on the key priorities of making TP ICAP a place where all employees can build a career, where all can belong and succeed and to make TP ICAP a place where people are engaged and would recommend as a place to work.
- Clients
  The Group manages our client relationships at multiple levels of seniority across the global organisational structure. This includes management level strategic relationship discussions as well as regular transactional dialogue. Strategic meetings and all client interactions driven by our CRM team in the broking businesses are tracked centrally. Further details of engagement with clients is provided in the Group Annual Report which does not form part of this report.
- Regulators
  The Directors recognise the importance of engaging with regulatory bodies to better understand and respond to their views. During the year the Directors engaged with the Financial Conduct Authority (FCA) and the Autorité des marchés financiers (AMF), the French financial markets regulator, to discuss post Brexit plans and Investment Firms Prudential Regime (IFPR). The Directors also received updates on engagement with the Regulators through Board reporting.
- Suppliers
  The Directors recognise the importance of engagement with our key infrastructure suppliers to monitor performance, manage risk and receive updates on Payment Practices Reporting biannually. In 2023 the Directors will continue to receive regular updates on Payment Practices initiatives regarding suppliers which will further strengthen its oversight of and engagement with suppliers. Key supplier engagement is also carried out at Group level and is discussed in detail in the Group Annual Report which does not form part of this report.

Key Decisions

The Company, through its Board of Directors, took the following key decisions through the course of the year:

- The transfer of some its operational activities to fellow subsidiaries of the Group as part of the execution of its Brexit Strategy.

- The realignment of broking activities as part of the Group's effort to simplify the Group's operational footprint across UK regulated entities.

P.V.M. Oil Associates Limited
Strategic report
31 December 2022

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

KEY PERFORMANCE INDICATORS
The Company's return on assets, calculated as net profit divided by net assets, is 36.1% (2021: 44.9%). This is in line with management expectations.

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

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

P Redman
Director

28 March 2023

DIRECTORS REPORT FOR THE YEAR ENDED 31 DECEMBER 2022
The Directors present their report and Financial Statements of the Company which comprises of the Statement of profit or loss, Balance sheet, Statement of changes in equity and related notes 1-20.

BUSINESS REVIEW AND FUTURE DEVELOPMENTS
Details of the business review and future developments can be found in the Strategic Report on page 1.

PRINCIPAL RISKS AND UNCERTAINTIES
Principal risks and uncertainties are explained in the Strategic Report on page 2 and detailed in Note 3, Financial risk management.

GOING CONCERN
The Directors intend to transfer the Company's operational activities to a fellow subsidiary of TP ICAP Group plc within twelve months from the date of signing the financial statements and cease operations thereafter. The financial statements have therefore been prepared on a basis other than going concern. Preparation of the financial statements on an 'other than going concern' basis has had no material impact on the financial statements reported.

DIVIDENDS
No dividends were paid or proposed during the current year (2021: $15,000,000) nor were any dividends declared or paid up to the date of signing.

DIRECTORS
The following persons were Directors of the Company during the financial year and up to the date of this report, unless otherwise stated:

P Randall
P Redman
S Sparke
A Bashenko (Appointed 1 January 2022 & resigned 21 March 2023)
M Forsyth (Appointed 1 July 2022)
C Rozes (Appointed 1 July 2022)
D McClumpha (Resigned 30 June 2022)
S Andrews (Resigned 1 July 2022)

DIRECTOR'S INDEMNITIES
The Company's ultimate parent, TP ICAP Group plc, has made qualifying third party indemnity provisions for the benefit of its Directors which remain in force at the date of this report.

OUR PURPOSE AND CORPORATE GOVERNANCE
The profit for the Company after providing for income tax amounted to $19,050,000 (31 December 2021: $15,009,000).

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

Like other companies in the TP ICAP Group plc, the Company adopted a governance framework in November 2019 which is set out within the Group's Governance Manual. The Company is a UK regulated entity and, as such, is also subject to the TP ICAP UK Regulated Entity Governance Framework. Together these documents set out the specific corporate governance requirements for the Company, including:

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

POLITICAL CONTRIBUTIONS

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

DISABLED EMPLOYEES

Applications for employment by disabled persons are always fully considered, bearing in mind the abilities of the applicant concerned. In the event of members of staff becoming disabled, every effort is made to ensure that their employment with the Company continues and that appropriate training is arranged. It is the policy of the Company that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

EMPLOYEE CONSULTATION

The Company is committed to attracting, retaining, developing and advancing the most qualified persons without regard to their race, ethnicity, religion or belief, gender, age, sexual orientation or disability. This commitment is underpinned by policies on equal opportunities, harassment and discrimination, to which all employees are required to adhere.

The Company participates in the Group's policies and practices relating to current and prospective employees. These policies and practices are outlined in the Group's Annual Report which does not form part of this report.

POST BALANCE SHEET EVENTS

On 17 March 2023, a notification was received from ICE US informing that the Company has been referred to Business Conduct Committee relating to a matter where block trades co-brokered with PVM Singapore were conducted on unrecorded media in 2021. Further communication is awaited from the Exchange detailing specific charges.

No other matter or circumstance has arisen since 31 December 2022 that has significantly affected, or may significantly affect the Company's operations, the results of those operations, or the Company's state of affairs in future financial years.

ENVIRONMENTAL POLICY

The Group recognises it has a responsibility to help protect the environment and respond to the global climate crisis. This means minimising the environmental impact of our operations.

Responsibility for environmental matters rests with the Board, and is included in its terms of reference. The Group's Chief Executive Officer is the Board member responsible for corporate social responsibility across the Group. These policies and practices are outlined in the TP ICAP Group plc's Annual Report, which does not form part of this report.

INDEPENDENT AUDITOR

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

PROVISION OF INFORMATION TO THE AUDITOR

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

P.V.M. Oil Associates Limited
Directors' report
31 December 2022

DIRECTORS' RESPONSIBILITIES STATEMENT

The Directors are responsible for preparing the Annual Report and the Financial Statements in accordance with Bermudan law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with FRS 101 "Reduced Disclosure Framework". Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

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

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether FRS 101 "Reduced Disclosure Framework" has been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The Directors confirm they have complied with all the above requirements in preparing the financial statements.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Bermuda Companies Act 1981. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report is authorised for issue by the Board of Directors.

Approved by the Board and signed on its behalf by:

P Redman
Director

28 March 2023

Company number: FC010229

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of P.V.M. Oil Associates Limited (the 'company'):

- give a true and fair view of the state of the company's affairs as at 31 December 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 101 "Reduced Disclosure Framework"; and
- have been prepared in accordance with the requirements of the Bermuda Companies Act 1981.

We have audited the financial statements which comprise:

- The statement of profit and loss;
- the balance sheet;
- the statement of changes in equity; and
- the related notes 1 to 20.

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

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter – Financial statements prepared other than on a going concern basis

We draw attention to note 1 in the financial statements, which indicates that the financial statements have been prepared on a basis other than that of a going concern. Our opinion is not modified in this regard.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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.

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

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

We considered the nature of the company's industry and its control environment, and reviewed the company's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management about their own identification and assessment of the risks of irregularities

We obtained an understanding of the legal and regulatory framework that the company operates in, and identified the key laws and regulations that:
- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included FRS 101 "Reduced Disclosure Framework", Bermuda Companies Act 1981, and UK tax legislation and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty. These included the Financial Conduct Authority and National Futures Association regulations.

We discussed among the audit engagement team regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:
- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management, internal audit and in-house legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance, internal audit reports and correspondence with the FCA.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Section 90(2) of the Bermuda Companies Act 1981. 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.

Deloitte LLP

Deloitte LLP
London, United Kingdom
28 March 2023

P.V.M. Oil Associates Limited
Statement of profit or loss
For the year ended 31 December 2022

	Note	Year ended 31 Dec 2022 $'000	Year ended 31 Dec 2021 $'000
Revenue	4	90,562	99,244
Other operating income / (expense)	8	5,590	(163)
Expenses			
Administrative expense	5	(72,350)	(80,459)
Operating profit		23,802	18,622
Interest receivable and similar income	9	93	1
Profit before income tax		23,895	18,623
Income tax	10	(4,845)	(3,614)
Profit after income tax for the year		19,050	15,009

The Profit after income tax for the current and prior year is derived from operations that are expected to discontinue in the coming year.

There were no items of other comprehensive income in the current or prior year other than the profit for the current or prior year and, accordingly, no Statement of other comprehensive income is presented.

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

P.V.M. Oil Associates Limited
Balance sheet
As at 31 December 2022

	Note	As at 31 Dec 2022 $'000	As at 31 Dec 2021 $'000
Assets			
Current assets			
Debtors	11	30,204	41,669
Cash and cash equivalents	12	25,744	17,132
Deferred tax asset	10	245	196
Total current assets		56,193	58,997
Total assets		56,193	58,997
Liabilities			
Current liabilities			
Creditors	13	1,310	24,010
Tax payable	10	2,250	1,576
Total current liabilities		3,560	25,586
Total liabilities		3,560	25,586
Net assets		52,633	33,411
Equity			
Issued capital	14	23	23
Share premium	15	6,298	6,298
Paid in capital reserve	16	2,626	2,626
Retained profits		43,686	24,464
Total equity		52,633	33,411

The financial statements on pages 11 to 26 were approved and authorised for issue by the Board of Directors on 24 March 2023 and were signed on its behalf by:

P Redman
Director

28 March 2023

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

P.V.M. Oil Associates Limited
Statement of changes in equity
For the year ended 31 December 2022

	Issued capital $'000	Share premium $'000	Paid in capital reserve $'000	Retained profits $'000	Total equity $'000
Balance at 1 January 2021	13	2,308	2,626	24,130	29,077
Profit after income tax for the year	-	-	-	15,009	15,009
Other comprehensive income for the year, net of tax	-	-	-	-	-
Total comprehensive income for the year	-	-	-	15,009	15,009
Shares issued during the year	10	3,990	-	-	4,000
Share-based payments	-	-	-	325	325
Dividends paid (note 17)	-	-	-	(15,000)	(15,000)
Balance at 31 December 2021	23	6,298	2,626	24,464	33,411

	Issued capital $'000	Share premium $'000	Paid in capital reserve $'000	Retained profits $'000	Total equity $'000
Balance at 1 January 2022	23	6,298	2,626	24,464	33,411
Profit after income tax for the year	-	-	-	19,050	19,050
Other comprehensive income for the year, net of tax	-	-	-	-	-
Total comprehensive income for the year	-	-	-	19,050	19,050
Share based payments	-	-	-	172	172
Balance at 31 December 2022	23	6,298	2,626	43,686	52,633

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

P.V.M. Oil Associates Limited
Notes to the financial statements
31 December 2022

Note 1. General information and principal accounting policies

General information
The Company is incorporated in Bermuda. The Company is a private company limited by shares. The registered office is Cedar House, 3rd Floor, 41 Cedar Avenue, Hamilton, HM12, Bermuda.

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

Going concern
The Directors intend to transfer the Company's operational activities to a fellow subsidiary of TP ICAP Group plc within twelve months from the date of signing the financial statements and cease operations thereafter. The financial statements have therefore been prepared on a basis other than going concern. Preparation of the financial statements on an 'other than going concern' basis has had no material impact on the financial statements reported.

Basis of preparation
The financial statements of the Company have been prepared in accordance with FRS 101 "Reduced Disclosure Framework" and the Bermuda Companies Act 1981. As permitted, the Company has taken advantage of disclosure exemptions, including: Statement of cash flow, disclosure of new accounting standards not yet mandatory, presentation of comparative information for tangible and intangible fixed assets, key management compensation, related party transactions between wholly owned group companies, and share-based payments. Where relevant, equivalent disclosures have been given in the Group financial statements of TP ICAP Group plc. Items which are of a non-recurring nature and material, when considering both size and nature, are disclosed separately to give a clearer presentation of the Company's results.

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

The financial statements are prepared in United States Dollars, which is the functional currency of the Company.

Historical cost convention
The financial statements have been prepared under the historical cost convention, as modified by financial instruments recognised at fair value.

Revenue
Revenue comprises of:

Agency brokerage, where the Company earns commission on transactions where it acts as agent. The Company acts in a non-advisory capacity to match buyers and sellers of financial instruments and raises invoices for the service provided. The Company does not act as principal and only receives and transmits orders between counterparties. Amounts receivable at the year-end are reported as Agency trade debtors within Debtors. Revenue is recognised on trade date.

The Company has applied IFRS 15, a single comprehensive model for revenue recognition. The core principle of the standard is that an entity shall recognise revenue to depict the transfer of promised goods or services to customers at an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. A contract-based revenue recognition model is used, with a measurement approach that is based on an allocation of the transaction price. Revenue is recognised when it is probable that the economic benefits associated with the transaction will flow to the Company, or at the time of the simultaneous commitment by the counterparties to sell and purchase the financial instrument. Revenue is stated net of VAT, rebates and discounts.

Pension costs
Certain employees of the Company participate in a Group defined contribution pension scheme operated by third parties. The Company's contributions to the scheme are charged to the Statement of profit or loss on an accruals basis.

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

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

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

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

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

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

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

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

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

Cash and cash equivalents
Cash and cash equivalents comprises of cash in hand, demand deposits and other short-term highly liquid investments which are subject to insignificant risk of change in value and are readily convertible into a known amount of cash within less than three months.

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

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

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

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

(i) fair value through other comprehensive income 'FVOCI',
(ii) fair value through profit or loss 'FVTPL' and
(iii) amortised cost.

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

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

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

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

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

The financial assets at amortised cost consist of Trade and other debtors, Cash and cash equivalents and other Intercompany debtors. ECL of Trade and other debtors is calculated using simplified method (lifetime ECL) while Intercompany debtors, Cash and cash equivalents adopt the general approach (12 month ECL).

Under IFRS 9, loss allowances are measured on either of the following bases:
- 12-month ECLs: that result from expected default events within 12 months of the reporting date; and
- lifetime ECLs: that result from all default events anticipated during the expected life of a financial instrument.

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

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

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

P.V.M. Oil Associates Limited
Notes to the financial statements
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Note 1. General information and principal accounting policies (continued)

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

Issued capital
Ordinary shares are classified as equity.

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

Note 2. Key accounting judgements and sources of estimation uncertainty

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

Note 3. Financial risk management

Financial risk factors

The Company's activities expose it to a variety of financial risks, including market, credit, liquidity and capital management risk. The Company adopts the financial risk management framework, strategy and policies proposed through EMEA Risk, Conduct and Governance Committee and is overseen by the Board.

Financial assets

	As at 31 Dec 2022 $'000	As at 31 Dec 2021 $'000
Debtors less prepayments (note 11)	30,204	41,546
Cash and cash equivalents (note 12)	25,744	17,132
Total financial assets	55,948	58,678

Note 3. Financial risk management (continued)

Market risk
Market Risk includes risks arising from movements in foreign exchange, interest rates, market prices and fair value.

Foreign exchange risk
The Company is exposed to both transactional and translational fluctuations in the value of financial instruments due to exchange rate movements. Transactional exposure arises from expenses incurred and revenue earned in currencies other than the Company's functional currency (United States Dollar). Translational exposure arises on the conversion of the foreign currency denominated assets and liabilities into United States Dollar.

It is estimated that a 10 pence increase in the exchange rate of Sterling against United States Dollar as at 31 December 2022, would negatively impact the Company's Statement of profit or loss and Retained profits by $643,000 (2021: Positive, $2,154,000). Any movement in the remainder currencies against sterling is not expected to have a significant input on the financial statements (2021: $Nil).

The table below summarises the Company's exposure to foreign and domestic currencies as at 31 December 2022:

	GBP $'000	EUR $'000	Other $'000	USD $'000	Total $'000
Financial assets					
Debtors less prepayments	1,432	-	18	28,754	30,204
Cash and cash equivalents	4,976	-	-	20,768	25,744
Total financial assets	6,408	-	18	49,522	55,948
Financial liabilities					
Creditors	(422)	-	-	(888)	(1,310)
Total financial liabilities	(422)	-	-	(888)	(1,310)
Net financial assets	5,986	-	18	48,634	54,638

The table below summarises the Company's exposure to foreign and domestic currencies as at 31 December 2021:

	GBP $'000	EUR $'000	Other $'000	USD $'000	Total $'000
Financial assets					
Debtors less prepayments	36	2	-	41,508	41,546
Cash and cash equivalents	5,530	-	-	11,602	17,132
Total financial assets	5,566	2	-	53,110	58,678
Financial liabilities					
Creditors	(23,626)	-	-	(366)	(23,992)
Total financial liabilities	(23,626)	-	-	(366)	(23,992)
Net financial (liabilities) / assets	(18,060)	2	-	52,744	34,686

P.V.M. Oil Associates Limited
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Note 3. Financial risk management (continued)

Interest rate risk
The Company's interest rate risk arises from Cash and cash equivalents, Restricted funds and Intercompany balances where changes in market interest rates can have some impact on cash flows and income streams. Interest rate risk is monitored at a Group level by the Board Risk Committee. In terms of cash and other interest bearing investments, the Company must comply with the Enterprise Risk Management Framework, which includes policies and procedures for these key risks. Limits are in place to restrict the amount that can be invested at one institution and all investments must be credit rated AA or above and be for less than 18 months, unless approved by the Board Risk Committee.

The Company estimates that an increase of 1% in interest rates would positively impact the Company's Statement of profit or loss and Retained profits by $151,000 (2021: $224,000).

The Company's interest rate profile as at 31 December 2022 was as follows:

	None $'000	Fixed $'000	Variable $'000	Total $'000
Financial assets				
Debtors less prepayments	30,204	-	-	30,204
Cash and cash equivalents	-	-	25,744	25,744
Total financial assets	30,204	-	25,744	55,948
Financial liabilities				
Creditors	(1,310)	-	-	(1,310)
Total financial liabilities	(1,310)	-	-	(1,310)

The Company's interest rate profile as at 31 December 2021 was as follows:

	None $'000	Fixed $'000	Variable $'000	Total $'000
Financial assets				
Debtors	41,546	-	-	41,546
Cash and cash equivalents	-	-	17,132	17,132
Total financial assets	41,546	-	17,132	58,678
Financial liabilities				
Creditors	(23,992)	-	-	(23,992)
Total financial liabilities	(23,992)	-	-	(23,992)

Price risk
The Company's activities do not expose it to price risk.

Fair value
Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction. The fair values of financial instruments are determined as per the Company's accounting policies.

As at 31 December 2022 there are no assets or liabilities whose carrying value was not a reasonable approximation of its fair value (2021: $Nil).

P.V.M. Oil Associates Limited
Notes to the financial statements
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Note 3. Financial risk management (continued)

Credit risk
Credit risk arises from the potential that a counterparty is unable or unlikely to perform an obligation resulting in a loss for the Company. When the Company enters into transactions only when executing on behalf of customers, providing customer access to clearing, or provides additional fee-based services to customers, there does exist short-term credit exposure, prior to clearing and settlement, and outstanding receivables that the Company manages. All counterparties are subject to regular review and assessment by regional credit officers and credit limits are set and approved by the appropriate credit committee. Limits are set based on Group parameters determining the maximum loss any one company (within the Group) can suffer as a result of counterparty default.

The Company has no significant concentrations of credit risk and the maximum exposure is limited to Debtors (note 11) and Cash and cash equivalents (note 12).

Liquidity risk
The Company seeks to ensure that it has sufficient levels of cash and access to liquidity facilities to enable it to meet its ongoing operations. As a normal part of its operations, the Company faces liquidity risk of being required to fund transactions that do not settle on the due date, which is addressed by arranging overdraft facilities with its settlement agents. The Company is also exposed to margin calls which typically arise from unclaimed trades or trade error. Together with 11 other UK regulated entities of the Group, the Company has exclusive access to a committed revolving credit facility of £25million. These facilities and the cash maintained in the Company ensures that the Company can meet its short-term liquidity requirements, present and future financial obligations as they fall due whilst complying with regulatory requirements. The liquidity risks of the Company is monitored and managed in compliance with the Enterprise Risk Management Framework, with the Board Risk Committee ultimately responsible for ensuring that all companies within the Group maintain sufficient resources to finance their operations.

The following tables show the maturity of the Company's liabilities:

	On demand $'000	Less than 3 months $'000	3 months to 1 year $'000	More than 1 year $'000	Total $'000
31 December 2022					
Creditors	(900)	-	(410)	-	(1,310)
Total financial liabilities	(900)	-	(410)	-	(1,310)
31 December 2021					
Creditors	(23,744)	-	(248)	-	(23,992)
Total financial liabilities	(23,744)	-	(248)	-	(23,992)

Capital management
The Company's capital strategy is to maintain an effective and strong capital base, which maximises the return to its shareholders, while also maintaining flexibility and ensuring compliance with supervisory regulatory requirements. The capital structure of the Company consists of debt and equity, including Issued capital, Share premium, Paid in capital reserve, and Retained profits.

The Company ensures that it has sufficient regulatory capital to meet regulatory requirements.

The regulatory capital level is set in accordance with the capital requirements of relevant regulatory authorities. The approach is to hold an appropriate surplus over the minimum. TP ICAP Group plc evaluates at the Company level the risks facing the business, to determine whether its capital is sufficient to cover any expected losses.

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Note 4. Revenue

Revenue by type:

	Year ended 31 Dec 2022 $'000	Year ended 31 Dec 2021 $'000
Brokerage fees income	83,009	91,739
Other income	7,553	7,505
Total revenue	90,562	99,244

Other income consists primarily of rebate commissions.

Revenue by geographical market:

	Year ended 31 Dec 2022	Year ended 31 Dec 2021
EMEA	90,562	99,244

Note 5. Administrative expense

	Year ended 31 Dec 2022 $'000	Year ended 31 Dec 2021 $'000
Employment costs (Note 6)	52,641	60,525
Other staff cost	508	443
Travel and entertainment	1,851	820
Market data and telecommunications	2,859	2,846
Technology and related costs	17	9
Professional fees	100	193
Service fees	12,666	14,681
Premises and related costs	3	3
Movement in expected credit loss provision	1,216	504
Other administrative costs	489	435
	72,350	80,459

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

Fees payable for the audit of the financial statements were $230,200 (2021: $213,144).

Note 6. Employment costs

Employment costs borne by the Company comprise:

	Year ended 31 Dec 2022 $'000	Year ended 31 Dec 2021 $'000
Wages, salaries, bonuses and incentive payments	45,823	53,022
Social security	6,671	7,361
Other pension	147	142
Total employment costs	52,641	60,525

For the year ended 31 December 2022, the average number of employees identified as being directly involved in the operation of the Company was 79, comprising of 70 brokers and 9 support staff (2021: 83, comprising of 74 brokers and 9 support staff).

Employment costs were borne by a fellow subsidiary company of the Group and were charged to the Company by way of management charges.

Note 7. Directors remuneration

Directors' remuneration in respect of their services to the Company during the year was $187,509 (2021: $96,000), of which the highest paid Director received $108,044 (2021: $76,000).

As at 31 December 2022, retirement benefits are accruing to 1 Director (2021: 1) under defined contribution schemes sponsored by TP ICAP Group plc (2021: TP ICAP Finance plc).

Note 8. Other operating income / (expense)

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

Note 9. Interest receivable and similar income

	Year ended 31 Dec 2022 $'000	Year ended 31 Dec 2021 $'000
Bank deposit	93	1

P.V.M. Oil Associates Limited
Notes to the financial statements
31 December 2022

Note 10. Income tax (continued)

Note 10. Income tax

Analysis of charge for the year:

	Year ended 31 Dec 2022 $'000	Year ended 31 Dec 2021 $'000
Current tax		
UK Corporation tax - current year	4,792	3,611
Deferred tax - current year	(23)	(4)
Adjustment recognised for prior years - current tax	102	10
Adjustment recognised for prior years - deferred tax	(26)	-
Overseas tax	-	(3)
Aggregate income tax	4,845	3,614
Deferred tax included in income tax comprises:		
Increase in deferred tax assets	(49)	(4)
Numerical reconciliation of income tax and tax at the statutory rate		
Profit before income tax	23,895	18,623
Tax at the statutory tax rate of 19%	4,540	3,538
Tax effect amounts which are not deductible in calculating taxable income:		
Expenses not deductible for tax purposes	245	106
	4,785	3,644
Adjustment recognised for prior years - current tax	102	10
Adjustment recognised for prior years - deferred tax	(26)	-
Deferred tax - difference in tax rate	(16)	(37)
Overseas tax	-	(3)
Income tax	4,845	3,614
Effective tax rate	20.3%	19.4%

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

P.V.M. Oil Associates Limited
Notes to the financial statements
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Note 10. Income tax (continued)

	As at 31 Dec 2022 $'000	As at 31 Dec 2021 $'000
Deferred tax		
Deferred tax asset comprises temporary differences attributable to:		
Amounts recognised in profit or loss:		
Capital allowances	141	162
Other timing differences	104	34
Deferred tax asset	245	196
Movements:		
Opening balance	196	192
Credited to profit or loss	49	4
Closing balance	245	196

	As at 31 Dec 2022 $'000	As at 31 Dec 2021 $'000
Provision for income tax	2,250	1,576

Note 11. Current assets - Debtors

	As at 31 Dec 2022 $'000	As at 31 Dec 2021 $'000
Agency trade debtors	29,621	41,443
Expected credit loss	(1,636)	(507)
	27,985	40,936
Other debtors	13	13
Prepayments and accrued income	734	601
	747	614
Amount owed by Group related companies	1,479	120
Expected credit loss	(7)	(1)
	1,472	119
	30,204	41,669

Maximum exposure to credit risk is limited to Debtors (note 11) and Cash and cash equivalents (note 12).

The following trade debtors were unsettled:

Note 11. Current assets - Debtors (continued)

	As at 31 Dec 2022 $'000	As at 31 Dec 2021 $'000
Less than 30 days	5,492	11,849
Over 30 days but less than 90 days	3,591	9,785
Over 90 days	18,894	19,302
	27,977	40,936

Note 12. Current assets - Cash and cash equivalents

	As at 31 Dec 2022 $'000	As at 31 Dec 2021 $'000
Cash at bank	25,809	17,161
Expected credit loss	(65)	(29)
	25,744	17,132

Note 13. Current liabilities - Creditors

	As at 31 Dec 2022 $'000	As at 31 Dec 2021 $'000
Amounts owed to Group related companies	900	23,746
Accruals and deferred income	145	61
Other payables	265	203
	1,310	24,010

Note 14. Equity - Issued capital

	As at 31 Dec 2022 Shares	As at 31 Dec 2021 Shares	As at 31 Dec 2022 $'000	As at 31 Dec 2021 $'000
Allotted, called up and fully paid ordinary shares of $0.01 each	2,263,114	2,263,114	23	23

During the current year, the Company issued no new shares.

Note 15. Equity - Share premium

The Share premium includes the value of the proceeds above nominal on issue of the Company's share capital.

During the current year, the Company issued no new shares.

Note 16. Equity - Paid in capital reserve

The Paid in capital reserve relates to non-distributable reserves.

Note 17. Equity - Dividends

Dividends paid during the financial year were as follows:

	Year ended 31 Dec 2022 $'000	Year ended 31 Dec 2021 $'000
No dividend paid in 2022 (2021: $11.88 per ordinary share)	-	15,000

Note 18. Guarantees and contingent liabilities

There are no individual matters, which are considered to pose a significant risk of material adverse financial impact on the Company's results or net assets.

Note 19. Events after the reporting period

On 17 March 2023, a notification was received from ICE US informing that the Company has been referred to Business Conduct Committee relating to a matter where block trades co-brokered with PVM Singapore were conducted on unrecorded media in 2021. Further communication is awaited from the Exchange detailing specific charges.

No other matter or circumstance has arisen since 31 December 2022 that has significantly affected, or may significantly affect the Company's operations, the results of those operations, or the Company's state of affairs in future financial years.

Note 20. Immediate and ultimate parent company

At the end of the year, the Company's immediate parent was TP ICAP EMEA Investments Limited, which does not prepare consolidated financial statements.

At the year end, the Company's ultimate parent and controlling party was TP ICAP Group plc, which is incorporated in Jersey, and now heads the largest and smallest group of companies of which the Company is a member. TP ICAP Group plc will prepare consolidated financial statements in accordance with IFRS. Copies of TP ICAP Group plc financial statements are available from www.tpicap.com.