Registration Number: 06211806

Jane Street Financial Limited

Reports and Financial Statements

Year Ended 31 December 2021

Jane Street Financial Limited

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Jane Street Financial Limited
Company Information
Year Ended 31 December 2021

Executive Directors	R A Granieri D M House J S Mackenzie W A Simpson
Non-Executive Directors	T Burton T Liu
Company secretary	D O Lawrie
Registered office	2 & A Half Devonshire Square London EC2M 4UJ
Company number	06211806
FCA firm number	486546
Auditor	KPMG LLP 15 Canada Square London E14 5GL

The Directors present their Strategic Report prepared in accordance with the provisions of section 414C of the Companies Act 2006 for the year ended 31 December 2021.

Introduction and summary of principal activities

Jane Street Financial Limited (the "Company") is a wholly-owned and controlled subsidiary of the ultimate parent of the Jane Street Group (the "Group"), Jane Street Group, LLC (the "Parent" or "JSG"). The Company is authorised and regulated by the Financial Conduct Authority ("FCA").

The Company undertakes principal and matched principal trading activities in financial instruments and also engages in the provision of agency trading services for other companies in the Group. The Company also serves as the investment manager for Jane Street Asia Capital Ltd ("JSAC"), an affiliate, through its position as a Foreign Portfolio Investor ("FPI").

The Company receives compensation for all trading activities performed on behalf of the Group in accordance with a Trading Services Agreement between the Company and certain affiliates, and the Group's transfer pricing arrangements. The Company charges Jane Street International Trading Limited ("JSIT"), an affiliate, for the amounts due under the Group transfer pricing agreement. The Company is also compensated by JSAC in the form of management fees and performance fees, as applicable, under an Investment Management Agreement between the Company and JSAC. The Company also has a permanent establishment in Germany. The Company receives compensation for activities performed by the permanent establishment on behalf of the Group in accordance with a Trading Services Agreement between the Company and certain affiliates, and the Group's transfer pricing arrangements. See note 2 for a summary of the above revenues.

The Company is headquartered in London and undertakes the majority of its business activities from this location. As noted above, the Company also has a permanent establishment in Germany. Additionally the Company is registered as an external company in South Africa in order to comply with its exemption from regulation under the South African Financial Advisory and Intermediary Services Act 2002.

The Company is a Systematic Internaliser and a member of various Multilateral Trading Facilities, each as defined by MiFID II. The Company is also a member of various exchanges including the London Stock Exchange, SIX Swiss Exchange, Borsa Italiana, Euronext, Xetra and Eurex.

Business review

The Statement of Comprehensive Income on page 16 reflects the trading results of the Company for the years ended 31 December 2021 and 2020. During the year ended 31 December 2021, the Company generated revenues of $279,240,332 (2020: $265,332,802), while administrative expenses amounted to $210,624,504 (2020: $188,532,855). The operating profit margin for the year was 25% (2020: 29%). During the year ended 31 December 2021, the Company produced after tax profits of $53,278,874 (2020: $58,547,534).

The financial position of the Company as at 31 December 2021 and 2020 is shown in the Statement of Financial Position on page 17. As at 31 December 2021, total equity has increased by 14% since the prior period to $223,973,525 (2020: $197,194,650). For the year ended 31 December 2021, the return on capital employed was 31% (2020: 39%). Return on capital employed is calculated by dividing operating profit on ordinary activities before interest and taxation by net assets.

A key performance indicator of the Company is revenues. An increase in trading volumes contributed to a year on year increase of 5% for the year ended 31 December 2021 when compared with 31 December 2020.

During 2021 the Company's costs remained in line with expectations and are deemed to be appropriate given the levels of business activity during the year, with costs predominantly driven by compensation.

The Directors continue to review the Company's business model. The Company will continue to seek opportunities to further grow business activities, and will continue to deploy its resources in furtherance of the Group's wider goals.

As at the date of this report, and subject to the matters disclosed herein, the Directors are not aware of any matter or circumstance which has arisen that has significantly affected, or may significantly affect, the operations of the Company, the results of those operations or the state of affairs of the Company in the twelve months subsequent to the date of this report.

Risks and uncertainties

Risks associated with the business are managed according to a common set of principles applied across the Group. These serve to mitigate the risks to which the Company is exposed, as described in further detail in note 18.

Withdrawal of the United Kingdom ("UK") from the European Union ("EU") ("Brexit")

The transition period, agreed between the EU and UK and whereby the UK remained within the EU's single market and customs arrangements, ended on 31 December 2020. As at the date of this report, the uncertainty on matters relating to Brexit has significantly reduced. The Directors no longer regard Brexit as a key risk for the business.

Coronavirus disease ("COVID-19")

The Directors continue to closely monitor the global outbreak of COVID-19 and its impact on global financial activities. The Directors do not believe there is any adverse financial impact to the financial statements as at 31 December 2021 as a result of this pandemic. Further, the Company's financial position and its ability to remain profitable in the future is mainly determined by the amounts from the Group under a Trading Services Agreement between the Company and certain affiliates, and the Group's transfer pricing arrangements. The Directors believe that the Parent's ability to provide adequate levels of support to the Company has not been adversely impacted by the events surrounding COVID-19.

Geopolitical conflict in Ukraine
The Directors have considered the impact of the geopolitical conflict in Ukraine to the Company and the Group and do not believe this warrants adjustment to the financial results as at 31 December 2021.

Section 172(1) statement
Section 172(1) of the Companies Act 2006 (the "Act") states that directors of a company must act in the way they consider, in good faith, would most likely promote the success of the company for the benefit of its members as a whole, and in doing so have regard, amongst other matters, to:

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

The Company holds Board meetings at least quarterly, which are attended by the Company's Executive and Non-Executive Directors, as well as by senior managers from a cross section of departments. Questions from those in attendance are invited, and the discussion of issues and information prepared by senior management is encouraged. The Directors consider that the attendance and active participation of senior management at these meetings is key. This is to ensure that those who are involved in the day-to-day business of the Company can help the Directors to make informed decisions that have regard to the Company's stakeholders as well as the long-term consequences of such decisions.

As part of their duty pursuant to section 172(1) of the Act, the Directors have implemented an effective system of internal controls and management of the Company's affairs, which protects both the interests of its sole shareholder and has regard to the interests of the Company's other stakeholders. The Company is a wholly owned subsidiary of the Group and seeks to deploy the Group's strategy in those jurisdictions in which the Company is active in accordance with all relevant local laws and regulation. Aside from the Parent, the Directors have identified the following key stakeholders:

Trading counterparties
The Directors believe that fostering business relationships, in particular relationships with trading counterparties, is vital to the long-term success of the Company.

Outside of the Board meetings there is regular dialogue between the Company's sales team and the Directors regarding the status of the Company's relationships with trading counterparties. The Directors have supported the continued expansion of the sales team throughout the year to ensure that the team has the resources necessary to carry out its counterparty-facing activities, develop stronger relationships with trading counterparties and maintain the Company's reputation in the financial services industry for high standards of business conduct.

Trading venues, prime brokers and investment banks

The Directors consider that (i) maintaining close and collaborative relationships with stakeholders who enable the Company to access markets and (ii) providing liquidity to the Company's trading counterparties, as well as to the Group, is integral to the long-term success of the Company. This includes, but is not limited to, relationships with trading venues, the Company's prime brokers and other investment banks and brokers who facilitate the Company's access to markets and exchanges, and the settlement of trades.

Regulators

The Company trades in multiple jurisdictions and on multiple venues. As a result, the Directors consider that regulators are key stakeholders. The Directors seek to have an open and positive working relationship with the Company's principal regulator, the Financial Conduct Authority. As a leading market participant in the financial markets, the Company seeks to play its part as a responsible and engaged party. The Company seeks to work closely with trade bodies to ensure markets in Europe continue to develop as efficient and transparent market places for the benefit of all stakeholders. During 2021, the Company contributed to consultations carried out by the European Securities and Markets Authority ("ESMA") and engaged with central banks on a range of issues affecting particular financial products and markets.

Employees

The Company does not have any employees. Instead, the time spent by certain employees of the Group is allocated, either wholly or partially, to the Company. The Directors recognise that the individuals who provide services to the Company are fundamental to its success in the long-term. The Company and the Group promote learning and are committed to developing individual talents through internal knowledge sharing and external training. The Group also offers employees a range of benefits to support employee health and well-being.

The Group operates an open and collegiate environment for all employees, in which all points of view are considered. Senior management provides briefings to staff concerning material business updates.

The Directors believe they have acted in good faith, both individually and collectively, to comply with their duty pursuant to section 172(1) of the Act. By engaging effectively with stakeholders they have promoted the success of the Company for the benefit of its sole member, ensured the long term impact of decisions are accounted for and that business and stakeholder relationships are maintained.

Going concern

Having considered the Company's risk management approaches, the financial position and performance of the Company and the assessment of the risks and uncertainties facing the Company and the Group, the Directors reasonably consider that there are adequate capital and liquidity resources for the Company to continue in operational existence for at least 12 months from the date of this report.

The Directors consider the main risks to the Company's ability to continue as a going concern are counterparty default and the failure of prime brokers. The Company has mitigants in place to protect itself in the unlikely event of default occurring with trading stakeholders.

As part of the Directors assessment of going concern, consideration has been given to the profitability of the entity under normal and adverse market conditions. The Company remains a going concern under the severe downside scenario that assumed no trading revenue and proactive management of variable expenses. Under downside scenarios the Company would retain access to systems, infrastructure and staff of the Group in order to operate.

Accordingly, the Directors continue to recommend that the accounts be prepared on a going concern basis.

Approved by the Board of Directors on 26 April 2022 and signed by:

....
J S Mackenzie
Director

Company Registration Number: 06211806

The Directors present their report and the financial statements for the year ended 31 December 2021.

Registered office

The Company is a limited company incorporated in England and Wales. The registered office is 2 & A Half, Devonshire Square, London, EC2M 4UJ.

Directors of the Company

The Executive Directors who held office during the year and through to the date of this report were as follows:

R A Granieri
D M House
J S Mackenzie
W A Simpson

The Non-Executive Directors who held office during the year and through to the date of this report, unless otherwise stated, were as follows:

T Burton (appointed 18 August 2021)
R S Emmet (resigned 18 August 2021)
T Liu

Dividends

Dividends of $26,500,000 were declared and paid during the year (2020: $35,000,000) (see note 22).

Subsequent events

On 12 January 2022 the Directors approved the payment of a further dividend of $7,500,000 for the year ended 31 December 2021 which was paid on 18 January 2022.

On 10 February 2022 the Directors approved the payment of a further dividend of $11,000,000 for the year ended 31 December 2021 which was paid on 23 February 2022.

On 21 April 2022 the Directors approved the payment of a further dividend of $19,278,874 for the year ended 31 December 2021 which was paid on 25 April 2022.

Directors' indemnities

For the year ended 31 December 2021, and as at the date of this report, the Company provided third party indemnity insurance for the benefit of the Directors and senior management.

Streamlined energy & carbon reporting (SECR)
As an unquoted company incorporated in the UK, the Company is required to report its energy use and carbon emissions in accordance with the Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018. The data detailed in the table below represent emissions and energy use for which the Company is responsible, including energy used in its offices and fuel used for transport on company business. The Company has used the main requirements of the Greenhouse Gas Protocol Corporate Standard to calculate its emissions, along with the UK Government GHG Conversion Factors for Company Reporting 2021.

Any estimates included in the totals are derived from actual data. This is the Company's second year of reporting. Emissions have increased in line with increased energy consumption compared to the previous year. Energy consumption for the year ending 31 December 2020 was lower due to COVID-19 and reduced office capacity.

	2021	**2020**
Total energy consumption used to calculate emissions in kWh	1,819,222	705,303
Emissions from combustion of gas in tCO_2e	8.08	21.00
Emissions from combustion of fuel for transport purposes in tCO_2e	-	-
Emissions from business travel in rental cars or employee-owned vehicles where the Company is responsible for purchasing fuel in tCO_2e	0.88	0.15
Emissions from purchased electricity in tCO_2e	376.31	137.57
Total gross tCO_2e	**385.27**	**158.72**
Intensity ratio: gross tCO_2e / total average headcount (see note 8)	0.99	0.49

During the year ended 31 December 2020, the Company moved offices and in 2021 ceased using the previous office at 20 Fenchurch Street. The new office has numerous energy efficiency measures in place compared to the previous office.

Pillar 3 disclosures
The Company's most recent Pillar 3 disclosures can be accessed on the internet at the following address https://www.janestreet.com/bojnirud/disclosures.pdf. When prompted, the password is 'piii_jsf'.

Auditors
Each Director has taken steps that he ought to have taken as a Director in order to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

The Directors confirm that there is no relevant information that they know of, and for which they know the auditor is unaware.

Following a tender process for the audit of the Company which took place in 2021, the Directors approved the appointment of KPMG UK LLP to be the Company's auditor for the year ended 31 December 2021.

Future developments

Refer to the Business review section of the Strategic Report.

Stakeholder engagement statement

Refer to the Section 172(1) statement of the Strategic Report.

Business relationship statement

Refer to the Section 172(1) statement of the Strategic Report.

Going concern and financial risk management

Refer to the Risks and uncertainties and Going concern sections of the Strategic Report.

Approved by the Board of Directors on 26 April 2022 and signed by:

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J S Mackenzie
Director

Statement of Directors' Responsibilities in respect of the Strategic Report, the Directors' Report and the financial statements

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

Company law requires the Directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

Under company law the Directors must not approve the financial statements unless they are satisfied that they give 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 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;
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Jane Street Financial Limited

Independent Auditor's Report

Year Ended 31 December 2021

Independent Auditor's Report to the members of Jane Street Financial Limited

Opinion

We have audited the financial statements of Jane Street Financial Limited ("the Company") for the year ended 31 December 2021 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity and Statement of Cash Flows and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2021 and of its profit for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the Company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the Company or to cease its operations, and as they have concluded that the Company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the directors' conclusions, we considered the inherent risks to the Company's business model and analysed how those risks might affect the Company's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the directors' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the Company will continue in operation.

Fraud and breaches of laws and regulations – ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of directors, the audit committee, internal audit and inspection of policy documentation as to the Company's high-level policies and procedures to prevent and detect fraud, as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Reading Board and audit committee minutes.
- Using analytical procedures to identify any unusual or unexpected relationships.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards, we perform procedures to address the risk of management override of controls, in particular the risk that Company management may be in a position to make inappropriate accounting entries and the risk of bias in accounting estimates such as the valuation of financial instruments. On this audit we do not believe there is a fraud risk related to revenue recognition due to the nature of the transfer pricing arrangements used by the Company as well as the systemised nature of trading revenue streams.

We did not identify any additional fraud risks.

In determining the audit procedures we took into account the results of our evaluation and testing of the operating effectiveness of some of the Company-wide fraud risk management controls.

We also performed procedures including:

- Identifying journal entries and other adjustments to test based on risk criteria and comparing the identified entries to supporting documentation. These included those posted by senior finance management, those posted and approved by the same user and those posted to unusual and seldom used accounts.
- Assessing whether the judgements made in making accounting estimates are indicative of a potential bias.

Identifying and responding to risks of material misstatement related to compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, through discussion with the directors and other management (as required by auditing standards) and discussed with the directors and other management the policies and procedures regarding compliance with laws and regulations.

As the Company is regulated, our assessment of risks involved gaining an understanding of the control environment including the entity's procedures for complying with regulatory requirements.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the Company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation), distributable profits legislation and taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the Company is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation or the loss of the Company's license to operate in certain markets. We identified the following areas as those most likely to have such an effect: anti-bribery, regulatory capital and liquidity, trading exchange regulation and certain aspects of company legislation recognising the financial and regulated nature of the Company's activities and its legal form. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and other management and inspection of regulatory and legal correspondence, if any. Therefore if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

We assessed the legality of dividends declared and paid during the year based on management's distribution calculations and our assessment of the realised nature of profits made in the period.

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

Strategic report and directors' report

The directors are responsible for the strategic report and the directors' report. Our opinion on the financial statements does not cover those reports and we do not express an audit opinion thereon.

Our responsibility is to read the strategic report and the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the strategic report and the directors' report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required 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.

We have nothing to report in these respects.

Directors' responsibilities

As explained more fully in their statement set out on page 10, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; 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 they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

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.

Satish Iyer

Satish Iyer (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
15 Canada Square
London
E14 5GL
26 April 2022

Jane Street Financial Limited

Statement of Comprehensive Income

As at 31 December 2021

	Note	2021 $000	2020 $000
Revenues	2	279,240	265,333
Administrative expenses		(210,625)	(188,533)
Operating profit on ordinary activities before other income, interest and taxation	3	68,615	76,800
Other income	4	393	312
Interest income	5	13	175
Profit on ordinary activities before taxation		69,021	77,287
Tax on profit on ordinary activities	6	(15,742)	(18,739)
Profit for the financial year		**53,279**	**58,548**

Revenues and operating profit are derived wholly from continuing operations.

There are no components of other comprehensive income recognised as part of total comprehensive income outside profit or loss.

The notes starting on page 20 form an integral part of these financial statements.

Jane Street Financial Limited

Statement of Financial Position

As at 31 December 2021

	Note	2021 $000	2020 $000
Fixed Assets			
Intangible assets	9	148	83
Tangible assets	10	451	99
		599	182
Current assets			
Debtors	11	490,333	144,420
Financial assets at fair value	12	2,785	97,746
Inventories	13	-	40
Cash and cash equivalents	14	92,400	188,032
		585,518	430,238
Creditors: amounts falling due within one year			
Creditors	15	(361,617)	(228,359)
Financial liabilities at fair value	16	(526)	(4,866)
		(362,143)	(233,225)
Net current assets		223,375	197,013
Net assets		**223,974**	**197,195**
Capital and reserves			
Called up share capital	19	52,000	52,000
Profit and loss account		171,974	145,195
Total equity		**223,974**	**197,195**

Approved by the Board of Directors on 26 April 2022 and signed by:

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J S Mackenzie
Director

The notes starting on page 20 form an integral part of these financial statements.

Jane Street Financial Limited

Statement of Changes in Equity

Year Ended 31 December 2021

	Note	Called up share capital $000	Profit and loss account $000	Total equity $000
As at 1 January 2020		22,000	121,647	143,647
Share capital allotted		30,000		30,000
Dividend declared and paid	22		(35,000)	(35,000)
Profit for the year			58,548	58,548
As at 31 December 2020		**52,000**	**145,195**	**197,195**
Dividend declared and paid	22		(26,500)	(26,500)
Profit for the year			53,279	53,279
As at 31 December 2021		**52,000**	**171,974**	**223,974**

The notes starting on page 20 form an integral part of these financial statements.

Jane Street Financial Limited

Statement of Cash Flows

Year Ended 31 December 2021

	Note	2021 $000	2020 $000
Reconciliation of operating profit to net cash flow from operating activities			
Profit for the financial year		53,279	58,548
Adjustments for:			
Amortisation of intangible assets	9	66	350
Depreciation of tangible assets	10	87	116
(Increase)/decrease in debtors	11	(345,913)	3,744,075
Decrease in financial assets at fair value	12	94,961	25,772
Decrease in inventories	13	40	12
Increase/(decrease) in creditors	9,10,15	132,688	(3,682,434)
(Decrease)/increase in financial liabilities at fair value	16	(4,340)	1,406
Net cash (outflow)/inflow from operating activities		(69,132)	147,845
Cash flow from financing activities			
Dividends paid	22	(26,500)	(35,000)
Issuance of ordinary share capital		-	30,000
Net cash outflow from financing activities		(26,500)	(5,000)
(Decrease)/increase in cash and cash equivalents		(95,632)	142,845

	Note	2021 $000	2020 $000
Reconciliation of net cash flow to movement in funds			
(Decrease)/increase in cash	14	(95,632)	142,845
Net funds as at 1 January	14	188,032	45,187
Net funds as at 31 December	14	**92,400**	**188,032**

The notes starting on page 20 form an integral part of these financial statements.

1 Accounting policies

Basis of preparation
The financial statements have been prepared in accordance with FRS 102. The financial statements have been prepared on a going concern basis and under the historical cost convention, excluding inventories, securities, derivatives and other financial instruments held for trading purposes, which are fair valued in accordance with applicable standards, as defined below. The financial statements are rounded to the nearest thousand United States dollar ("US$").

Going concern
Having considered the Company's risk management approaches, the financial position and performance of the Company and the assessment of the risks and uncertainties facing the Company and the Group, the Directors reasonably consider that there are adequate capital and liquidity resources for the Company to continue in operational existence for at least 12 months from the date of this report.

The Directors consider the main risks to the Company's ability to continue as a going concern are counterparty default and the failure of prime brokers. The Company has mitigants in place to protect itself in the unlikely event of default occurring with trading stakeholders.

As part of the Directors assessment of going concern, consideration has been given to the profitability of the entity under normal and adverse market conditions. The Company remains a going concern under the severe downside scenario that assumed no trading revenue and proactive management of variable expenses. Under downside scenarios the Company would retain access to systems, infrastructure and staff of the Group in order to operate.

Accordingly, the Directors continue to recommend that the accounts be prepared on a going concern basis.

Judgements and key sources of estimation uncertainty
The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. The Directors do not consider there to be any significant estimates in the financial statements at the year end.

Functional and presentation currency
The functional currency is US$ and the accounts are presented in US$.

Revenues
Revenues are recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. In relation to a Trading Services Agreement between the Company and certain affiliates, and the Group's transfer pricing arrangements, revenue is recognised and accrued through the year.

1 Accounting policies (continued)

Amounts charged to the Parent, JSIT and JSAC

The Company receives compensation for all trading activities performed on behalf of the Group in accordance with a Trading Services Agreement between the Company and certain affiliates, and the Group's transfer pricing arrangements.

The Company serves as the investment manager for JSAC through its position as an FPI for which it is compensated by JSAC in the form of management fees and performance fees, as applicable.

Net trading income

The Company's net trading income includes movements in the fair value of financial instruments and trading profits and losses, including interest and dividends earned from principal trading in marketable securities. Net trading income also includes commissions earned on matched principal transactions.

Revenues in the Statement of Comprehensive Income are net of commission expenses and certain other trading related fees.

Dividend income on equities owned and dividend expense on equities sold but not yet purchased are accounted for on an accruals basis and recorded on the ex-dividend date.

Interest income and expense

Interest income presented in the Statement of Comprehensive Income represents interest on non-trading assets. Interest income and expense on all trading assets and liabilities are presented together with all other changes in fair value of trading assets and liabilities in Revenues in the Statement of Comprehensive Income (see note 2). The interest income and expense is accounted for on an accruals basis in the Statement of Comprehensive Income using the effective interest method and are added to or subtracted from the carrying amount of the instruments to the extent that they are not settled in the period in which they arise.

Taxation

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

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax or a right to pay less tax in the future have occurred at the balance sheet date. A deferred tax asset would only be recognised if it is considered more likely than not that there will be suitable profits from which the future reversal of the underlying timing differences can be deducted. Timing differences are the differences between the Company's taxable profits and its results as stated in the financial statements, which are capable of reversal in one or more subsequent periods.

1 Accounting policies (continued)

Deferred tax is measured on a non-discounted basis at the tax rates that are expected to apply in the periods in which the timing differences are expected to reverse based on tax rates and laws that have been enacted or substantively enacted at the balance sheet date.

Pension / retirement plan costs
Contributions payable to the defined contribution retirement benefit schemes are charged to the Statement of Comprehensive Income in the year to which they relate. Contributions are paid on behalf of the Company by other Group entities.

Intangible assets and amortisation
Intangible assets are recorded at cost less any provisions for impairment in value. Amortisation is provided on all intangible assets at the following annual rate in order to write off the cost less estimated residual value of each asset over its expected useful economic life.

Asset class	**Amortisation period (straight line)**
Software	Licence term where specified, otherwise over 3 years

Tangible assets and depreciation
Tangible assets are recorded at cost less any provisions for impairment in value. Depreciation is provided on all tangible assets at the following annual rate in order to write off the cost less estimated residual value of each asset over its expected useful economic life.

Asset class	**Depreciation period (straight line)**
Computer equipment	Over 4 years

Cash and cash equivalents
Cash and cash equivalents comprise cash at banks and short-term investments with an original maturity date of three months or less. Cash at banks is maintained in sight deposit accounts at highly rated financial institutions.

Foreign currency
Monetary assets and liabilities denominated in foreign currencies are retranslated at the closing rates at the balance sheet date. All exchange differences are included in the Statement of Comprehensive Income.

Transactions in foreign currencies are recorded using the daily rate on the day in which they are recorded in the Company accounts.

Non-monetary assets are measured on a historic cost basis and are translated using the exchange rate at the date of the transaction. They are not subsequently revalued for foreign currency movements.

1 Accounting policies (continued)

Financial instruments

The Company has elected to apply the recognition and measurement provisions of International Accounting Standard 39 Financial Instruments: Recognition and Measurement (as adopted in the EU) and the disclosure requirements of Sections 11 and 12 of FRS 102.

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument.

Trade debtors and creditors and other short-term monetary assets and liabilities are initially recognised at fair value including transaction costs and are subsequently carried at amortised cost using the effective interest rate.

Trading assets and liabilities are financial instruments that the Company acquired or acquires principally for the purpose of selling or repurchasing in the near term or are held as part of a portfolio that is managed together for short-term profit making. All trading assets and liabilities are classified at fair value through profit and loss and as held for trading.

Trading assets and liabilities are initially recognised and subsequently measured at fair value in the Statement of Financial Position with transaction costs taken directly to the Statement of Comprehensive Income. All changes in the fair value are recognised as part of Revenues in the Statement of Comprehensive Income (see note 2). Trading assets and liabilities are not reclassified subsequent to their initial recognition.

Fair value measurement

The Company accounts for financial instruments on a trade date basis and they are fair valued through the Statement of Comprehensive Income. The fair values of financial assets and financial liabilities are based on quoted market prices, consensus pricing bureaus or dealer price quotations for financial instruments traded in active markets.

Fair value hierarchy

In determining the fair value of the financial instruments, the Company maximises the use of observable inputs and minimises the use of unobservable inputs by requiring that observable inputs be used when available. Observable inputs are inputs that market participants would use in pricing the asset or liability based on market data obtained from independent sources. Unobservable inputs reflect assumptions of what market participants would use in pricing the asset or liability developed based on the best information available in the circumstances. The Company applies a hierarchy to categorise its fair value measurements broken down into three levels based on the transparency of inputs as follows:

1 Accounting policies (continued)

Level 1	quoted (unadjusted) prices in active markets for identical assets or liabilities;
Level 2	other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly; and
Level 3	techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

Derecognition
The Company derecognises a financial asset when the contractual rights to the cash flow from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Company is recognised as a separate asset or liability. The Company derecognises a financial liability when its contractual obligations are discharged, cancelled or expire.

Offsetting
The Company only offsets financial assets and liabilities and presents the net amount in the Statement of Financial Position where it:

- currently has a legally enforceable right to set off the recognised amounts, and
- intends either to settle on a net basis, or to realise the asset and liability simultaneously.

Inventories
Inventories represent physical metals held by the Company. The Company accounts for inventories on a trade date basis and they are initially recognised and subsequently measured at fair value in the Statement of Financial Position with transaction costs taken directly to Revenues in the Statement of Comprehensive Income.

All changes in the fair value are recognised as part of Net trading income within Revenues in the Statement of Comprehensive Income (see note 2).

Amounts due from and due to brokers
The clearing and settlement operations for the Company's securities transactions are provided by several brokers. Amounts due from and to brokers in notes 11 and 15 respectively, include cash, broker payables and receivables, and amounts related to security and inventory transactions that have not settled as at 31 December 2021.

Amounts due to brokers are subject to relevant agreed margin requirements. Substantially all securities held at the brokers serve as collateral for the amounts due to the relevant broker. Subject to the clearing agreement between the Company and the clearing broker, the clearing broker has the right to sell or repledge this collateral.

1 Accounting policies (continued)

Dividends

Dividends payable to JSG, the sole shareholder, are recognised as a liability in the period in which they are authorised. These amounts are recognised in the Statement of Changes in Equity.

2 Revenues

Revenues are attributable to income from movements in the fair value of financial instruments, trading profits and losses and amounts charged to the Parent, JSIT and JSAC.

	2021 $000	2020 $000
Amounts charged to the Parent	883	-
Amounts charged to JSIT	297,580	273,918
Amounts charged to JSAC	92	11,147
Net trading income		
Principal and matched principal transactions	23,728	29,337
Commission expenses and other fees	(41,370)	(47,714)
Interest and dividends	(1,673)	(1,355)
	279,240	265,333

3 Operating profit

Operating profit is stated after charging/(crediting):

	2021 $000	2020 $000
Amortisation of intangible assets (see note 9)	66	350
Depreciation of tangible assets (see note 10)	87	116
Operating lease rentals – buildings[1]	2,118	(930)
Auditor's remuneration		
Audit of the financial statements – KPMG LLP[2]	171	-
Audit of the financial statements – Ernst & Young LLP[3]	18	118

3 Operating profit (continued)

	2021 $000	2020 $000
Other fees to auditors		
Audit related assurance services	69	19
Non audit related services	-	14
Taxation advisory services	-	18
Total fees to auditors	258	169
Staff costs (see note 8)	144,166	122,947
Other administrative expenses	63,930	65,881
Total administrative expenses	210,625	188,533

[1] The corresponding leases are in the name of Jane Street Europe ("JSE"), an affiliate. The 2020 rent expense is offset by a one time adjustment of $2,906,747 in respect of the termination of the lease of office space at 20 Fenchurch Street.

[2] KPMG LLP became the Company's auditor in 2021 and this is fees payable for the audit services for the year ended 31 December 2021.

[3] Fees payable to Ernst & Young LLP for audit services for the year ended 31 December 2020.

4 Other income

	2021 $000	2020 $000
Gain on foreign currency revaluation	393	312
	393	312

5 Interest income

	2021 $000	2020 $000
Bank interest income	13	164
Other interest income	-	11
	13	175

6 Tax on profit on ordinary activities

(a) Analysis of tax charge

	2021	2020
	$000	$000
Current tax		
UK corporation tax charge	13,208	14,985
UK corporation tax bank surcharge	2,810	3,745
Foreign exchange on current tax balances	(5)	237
Foreign tax	11	7
Total current tax charge	16,024	18,974

	2021	2020
	$000	$000
Deferred tax		
Origination and reversal of timing differences	(18)	(160)
Effect of changes in tax rates	(264)	(75)
Total deferred tax charge	(282)	(235)
Total tax on profit on ordinary activities	15,742	18,739

(b) Reconciliation between tax expense and profit on ordinary activities before tax multiplied by applicable tax rate

	2021	2020
	$000	$000
Profit on ordinary activities before taxation	69,021	77,287
Corporation tax at standard rate of 19% (2020: 19%)	13,114	14,685
UK corporation tax bank surcharge	2,810	3,745
Expenses not deductible for tax purposes	92	147
Enhanced capital allowances	(16)	-
Effect of changes in tax rates	(264)	(75)
Foreign tax	11	7
Foreign tax credits taken against UK corporation tax	-	(7)
Current year foreign exchange adjustments	(5)	237
Total tax	15,742	18,739

6 Tax on profit on ordinary activities (continued)

(c) Factors that may affect future tax charges

The main rate of corporation tax is due to increase from 19% to 25% in April 2023. The banking surcharge, which applies to the Company, is due to decrease from 8% to 3% in April 2023 and the threshold at which it applies will increase from profits of £25 million to £100 million. The changes to the banking surcharge were substantively enacted after 31 December 2021 and are therefore not reflected in the calculation of deferred tax balances. The estimated impact of the banking surcharge changes on the deferred tax balance is a reduction of $220,000.

Deferred tax balances at 31 December 2021 have been calculated at a rate of 33% (2020: 23.6%) with reference to substantively enacted rates as at 31 December 2021 and reflect the average rates (including bank surcharge) at which the timing differences are expected to reverse.

The deferred tax asset comprises:

	2021 $000	2020 $000
Timing differences between depreciation and capital allowances	(1)	49
Other short term timing differences	904	573
Asset as at 31 December	903	622

The amount of the net reversal of deferred tax assets and deferred tax liabilities expected to occur during the year beginning after the reporting period is $11,000 (2020: $15,000), based on tax rates substantively enacted at 31 December 2021, relating to the timing differences between depreciation and capital allowances.

(d) Group payment arrangement ("GPA")

The Company, along with JSE and other Group entities in the UK, has a GPA with HM Revenue & Customs, whereby JSE makes UK corporation tax payments for and on behalf of the Company and other Group entities in the UK. The payments made by JSE are allocated to the entities within the GPA in line with their tax expense for the period to which the payments relate.

7 Directors' remuneration

	2021 $000	2020 $000
Remuneration (including benefits in kind)	6,524	5,233
Company contributions to pension / retirement plans	5	1
Total Directors' remuneration	6,529	5,234

The Directors' remuneration disclosed above includes the following amounts paid to the highest compensated Director:

	2021 $000	2020 $000
Remuneration (including benefits in kind)	2,348	1,804
Total Director's remuneration	2,348	1,804

The Directors of the Company are remunerated by other entities within the Group. Directors' remuneration is allocated to the Company on the basis of time spent by Directors for the period during which they served as Directors of the Company. The amounts allocated to the Company are as disclosed above.

The Group operates defined contribution pension schemes (retirement plans), the assets and liabilities of which are held separately from those of the Company. The costs are allocated to the Company as previously disclosed. Of the Directors who served during the year ending 31 December 2021, three (2020: three) Directors were members of the pension/retirement plans. Contributions are paid by other Group entities and therefore any unpaid contributions at the year end are recognised in their financial statements.

8 Staff costs

The average number of individuals (including relevant Directors) whose time was allocated to the Company, either partially or wholly, during the year was as follows:

	2021	2020
Trading	154	117
Technology	144	119
Infrastructure	92	85
Total average headcount	390	321

The aggregate payroll costs were as follows:

	2021 $000	2020 $000
Salaries, allowances and benefits in kind	126,489	109,201
Social security costs	15,426	12,353
Staff pension / retirement plan costs	2,251	1,393
Total payroll costs	144,166	122,947

Staff are remunerated by other entities within the Group. Remuneration is allocated to the Company on the basis of time spent and the amounts allocated to the Company are as disclosed above.

The Group operates defined contribution pension schemes (retirement plans), the assets and liabilities of which are held separately from those of the Company. The costs are allocated to the Company as previously disclosed. The amount charged against profit includes contributions by other Group entities on behalf of the Company of $2,250,882 (2020: $1,392,965). Contributions are paid by other Group entities and therefore any unpaid contributions at the year end are recognised in their accounts.

9 Intangible assets

	Software $000
Cost	
At 31 December 2020	1,391
Additions	131
At 31 December 2021	1,522
Amortisation	
At 31 December 2020	1,308
Charge for the year	66
At 31 December 2021	1,374
Net book value	
At 31 December 2020	83
At 31 December 2021	148

10 Tangible assets

	Computer Equipment $000
Cost	
At 31 December 2020	479
Additions	439
At 31 December 2021	918
Depreciation	
At 31 December 2020	380
Charge for the year	87
At 31 December 2021	467
Net book value	
At 31 December 2020	99
At 31 December 2021	451

11 Debtors

	2021 $000	2020 $000
Amounts due from brokers		
Trade debtors	107,320	37,972
Amounts awaiting settlement	371,587	101,386
Other debtors		
Amounts due from Group undertakings	10,273	2,938
Corporation tax receivable	1	-
VAT receivable	249	1,502
Deferred tax asset	903	622
Total debtors	490,333	144,420

No assets are past due or impaired as at 31 December 2021.

12 Financial assets at fair value

	2021 $000	2020 $000
Equity instruments[1]	2,259	92,692
Derivative financial assets	526	5,054
	2,785	97,746

[1] The Company is the beneficial owner of all settled long securities. Where long securities are held at prime brokers, title, along with the rehypothecation rights, are held by the prime brokers as collateral for the secured financing transactions.

13 Inventories

	2021 $000	2020 $000
Physical metals	-	40
	-	40

14 Analysis of net funds

	At 1 January 2021 $000	Cash flow $000	Change in market value $000	At 31 December 2021 $000
Cash at bank	52,541	(640)	-	51,901
Cash equivalents	135,491	(95,020)	28	40,499
Total net funds	188,032	(95,660)	28	92,400

15 Creditors

	2021 $000	2020 $000
Amounts due to brokers		
Trade creditors	19,796	99,600
Amounts awaiting settlement	278,570	108,757
Other creditors		
Amounts due to Group undertakings	60,830	19,408
Corporation tax payable	-	6
Accruals	2,421	588
Total creditors	361,617	228,359

16 Financial liabilities at fair value

	2021 $000	2020 $000
Derivative financial liabilities	526	4,866
	526	4,866

17 Financial instruments

The tables below analyse financial instruments measured at fair value at the end of the year by the level in the fair value hierarchy where each instrument is categorised. All financial instruments are classified as held for trading under IAS 39.

The Company has no financial liabilities measured at fair value that are affected by changes in own credit risk and the Company does not hold any level 3 financial instruments.

	2021 $000	Level 1 $000	Level 2 $000
Assets measured at fair value			
Equity instruments	2,259	2,259	-
Derivative financial assets	526	-	526
	2,785	2,259	526
Liabilities measured at fair value			
Derivative financial liabilities	526	-	526
	526	-	526

	2020 $000	Level 1 $000	Level 2 $000
Assets measured at fair value			
Equity instruments	92,692	92,692	-
Derivative financial assets	5,054	-	5,054
	97,746	92,692	5,054
Liabilities measured at fair value			
Derivative financial liabilities	4,866	-	4,866
	4,866	-	4,866

18 Financial instrument risk exposures

Market risk is the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market variables such as interest rates, equity prices, commodity prices and foreign exchange rates.

The Company has market risk exposures through its proprietary trading activities.

The risks that the Company is directly exposed to are discussed below.

Interest rate risk

The Company's interest rate risk arises from holdings in financial instruments, which give rise to price sensitivity with respect to interest rates.

The following table demonstrates the impact on profit and loss of a severe but plausible change in interest rates with all other variables held constant.

	Change in Interest Rates	Effect on profit before tax and equity $000
2021		
One hundred basis point increase in interest rates	100bps	(42)
One hundred basis point decrease in interest rates	(100bps)	42

	Change in Interest Rates	Effect on profit before tax and equity $000
2020		
One hundred basis point increase in interest rates	100bps	(141)
One hundred basis point decrease in interest rates	(100bps)	141

Equity price risk

The Company holds equities. At 31 December 2021, the portfolio was primarily long risk in securities which track the MSCI Emerging Market ("EM") Index and long risk securities which track the MSCI Developed Market ("DV") Index (2020: long MSCI EM Index and long MSCI DV Index). The following table demonstrates the impact on profit and loss of a severe but plausible change in the index with all other variables held constant.

18 Financial instrument risk exposures (continued)

Equity price risk (continued)	**Change in MSCI EM Index**	**Effect on profit before tax and equity $000**
2021		
Twelve percent increase in MSCI EM Index	12%	271
Twelve percent decrease in MSCI EM Index	(12%)	(271)

	Change in MSCI DV Index	**Effect on profit before tax and equity $000**
2021		
Eight percent increase in MSCI DV Index	8%	-
Eight percent decrease in MSCI DV Index	(8%)	-

	Change in MSCI EM Index	**Effect on profit before tax and equity $000**
2020		
Twelve percent increase in MSCI EM Index	12%	188
Twelve percent decrease in MSCI EM Index	(12%)	(188)

	Change in MSCI DV Index	**Effect on profit before tax and equity $000**
2020		
Eight percent increase in MSCI DV Index	8%	-
Eight percent decrease in MSCI DV Index	(8%)	-

18 Financial instrument risk exposures (continued)

Foreign currency risk

At 31 December 2021, the Company was long EM currency exposure and short DV currency exposure (2020: long EM and short DV). The following tables demonstrate the impact on profit and loss of a severe but plausible change in the foreign currency exchange rates against the US dollar with all other variables held constant.

	Change in EM vs USD	Effect on profit before tax and equity $000
2021		
Eight percent increase in EM vs USD	8%	14
Eight percent decrease in EM vs USD	(8%)	(14)

	Change in DV vs USD	Effect on profit before tax and equity $000
2021		
Four percent increase in DV vs USD	4%	(975)
Four percent decrease in DV vs USD	(4%)	975

	Change in EM vs USD	Effect on profit before tax and equity $000
2020		
Eight percent increase in EM vs USD	8%	121
Eight percent decrease in EM vs USD	(8%)	(121)

	Change in DV vs USD	Effect on profit before tax and equity $000
2020		
Four percent increase in DV vs USD	4%	(332)
Four percent decrease in DV vs USD	(4%)	332

18 Financial instrument risk exposures (continued)

The Company's maximum credit risk exposure, as per the table below, consists of both banking and trading book exposures where the trading book exposures primarily consist of issuer risk on assets held in the Company's trading book and of the mark-to-market settlement risk related to amounts awaiting settlement.

	2021
	$000
Credit rating	
AAA to AA-	42,635
A+ to BBB-	81,379
Unrated	13,784

	2020
	$000
Credit rating	
AAA to AA-	189,058
A+ to BBB-	8,180
Unrated	6,600

Liquidity risk

The table below summarises the maturity profile of the Company's financial liabilities as at 31 December 2021 and 2020 according to when they are expected to be realised or settled, based on contractual undiscounted payments.

	On demand	**Due within 6 months**	**Total**
	$000	**$000**	**$000**
2021			
Derivative financial liabilities	-	526	526
Amounts due to brokers	-	298,366	298,366
Amounts due to Group undertakings	60,830	-	60,830
Accruals	2,421	-	2,421
	63,251	298,892	362,143

18 Financial instrument risk exposures (continued)

Liquidity risk (continued)

	On demand $000	Due within 6 months $000	Total $000
2020			
Derivative financial liabilities	-	4,866	4,866
Amounts due to brokers	-	208,357	208,357
Amounts due to Group undertakings	19,408	-	19,408
Accruals	588	-	588
Corporate tax payable	6	-	6
	20,002	213,223	233,225

Other risks

To mitigate against any risk of loss resulting in a loss before tax, the Company purchases loss protection annually from JSIT under which the Company, through the Group transfer pricing arrangements, is indemnified subject to a cap.

Capital management

The Company is subject to capital supervision by the FCA which requires a firm to hold sufficient capital to underpin the solvency requirements related to credit, market and operational risk. The primary objectives of the Company's capital management policy is to ensure that the Company has sufficient resources to support the Company's existing and planned business operations while complying with the FCA's capital requirements. The Company determines its capital requirements through a comprehensive planning approach that takes into account projected business activity and incorporates stress and scenario testing in accordance with internal and FCA requirements. Accordingly, the Company actively manages shareholders' equity. As at 31 December 2021, the total shareholders' equity was $223,973,525 (2020: $197,194,650).

19 Share capital

	No. in 000's	2021 $000	No. in 000's	2020 $000
Allotted, called up and fully paid				
Ordinary shares of $1.00 each	52,000	52,000	52,000	52,000

20 Related party transactions

Included within the Statement of Financial Position are the following amounts (see notes 11 and 15):

	2021 $000	2020 $000
Amounts due from the Parent	804	-
Amounts due from other affiliates	9,469	2,938
Total amounts due from Group undertakings	10,273	2,938
Amounts due to other affiliates	(60,830)	(19,408)
Total amounts due to Group undertakings	(63,830)	(19,408)

The key management personnel ("KMP") of the Company are remunerated by other entities within the Group. This remuneration is allocated to the Company on the basis of time spent by the KMP for the year during which they served as key management of the Company. Total compensation of KMP (including the Directors) in the year amounted to $16,275,147 (2020: $5,336,896).

21 Parent company

The Company is controlled by and is a wholly owned subsidiary of JSG, an entity that was formed under the laws of the State of Delaware in the United States of America. JSG is the only Group entity producing consolidated accounts including the results of the Company.

22 Dividends

	2021 $000	2020 $000
Declared and paid during the year		
Interim dividends for 2020	11,000	35,000
Interim dividends for 2021	15,500	-
	26,500	35,000

23 Post balance sheet events

On 12 January 2022 the Directors approved the payment of a further dividend of $7,500,000 for the year ended 31 December 2021 which was paid on 18 January 2022.

On 10 February 2022 the Directors approved the payment of a further dividend of $11,000,000 for the year ended 31 December 2021 which was paid on 23 February 2022.

On 21 April 2022 the Directors approved the payment of a further dividend of $19,278,874 for the year ended 31 December 2021 which was paid on 25 April 2022.

24 Country-by-country reporting

In Germany, the Company's principal activity is to provide hosting services to the Group.

In the tables below, the corporation tax paid in the UK has been made on behalf of the Company by JSE, an affiliate, as part of a GPA (see note 6).

Year ended 31 December 2021

Location	Revenue $000	Number of employees	Profit before taxation $000	Corporation tax paid $000	Subsidies received $000
UK	278,357	390	68,979	16,014	-
Germany	883	-	42	17	-
Total	279,240	390	69,021	16,031	-

24 Country-by-country reporting (continued)

Year ended 31 December 2020

Location	Revenue $000	Number of employees	Profit before taxation $000	Corporation tax paid $000	Subsidies received $000
UK	264,931	321	77,268	18,968	-
Germany	402	-	19	6	-
Total	265,333	321	77,287	18,974	-