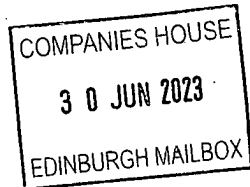


Columbia Threadneedle AM (Holdings) plc

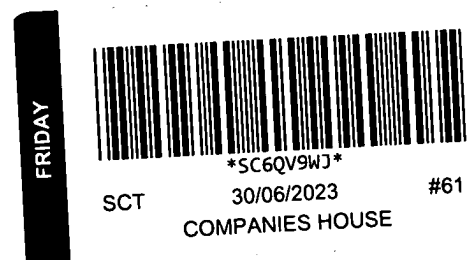
(formerly BMO Asset
Management (Holdings) plc)
(Registered Number SC073508)



Annual Report and Financial Statements
for the 14-month period from
1 November 2021 to
31 December 2022

Contents

1	Company information
2-5	Strategic Report
6-7	Report of the Directors
8	Statement of Directors' Responsibilities
9-11	Independent Auditor's Report
12	Income Statement
13	Statement of Financial Position
14	Statement of Changes in Equity
15-41	Notes to the Financial Statements



COLUMBIA THREADNEEDLE AM (HOLDINGS) PLC

COMPANY INFORMATION

REGISTERED NUMBER:

SC073508

DIRECTORS:

M Jackson
D Logan
C B Porter
K C Poynter
N J Ring
A L Roughead
R A Sack
R A Watts

SECRETARY:

M Nurse

REGISTERED OFFICE:

6th Floor
Quartermile 4
7a Nightingale Way
Edinburgh
EH3 9EG

INDEPENDENT AUDITORS:

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
7 More London Riverside
London
SE1 2RT

COLUMBIA THREADNEEDLE AM (HOLDINGS) PLC

STRATEGIC REPORT

The Directors present their Strategic Report for Columbia Threadneedle AM (Holdings) plc (formerly BMO Asset Management (Holdings) plc) (the Company) for the 14-month period from 1 November 2021 to 31 December 2022. The Company was part of the BMO Global Asset Management (BMO GAM) business within the BMO Financial Group (BMO) until 8 November 2021 when the BMO GAM business in Europe, the Middle East and Africa (EMEA) was acquired by Ameriprise Financial, Inc. (Ameriprise). The Company subsequently changed its name on 1 July 2022 as part of the broader fund and group entity rebranding project.

PRINCIPAL ACTIVITIES

The Company's principal activity is to act as a holding company. The Company is a public limited company registered in Scotland and domiciled in the United Kingdom (UK).

Details of all entities within the Columbia Threadneedle AM (Holdings) plc Group (the Group) are contained in note 25 to the Financial Statements.

During the 14-month period ended 31 December 2022, the Group continued its asset management business. As noted above the acquisition completed on 8 November 2021 when Columbia Threadneedle Investments UK International Limited, acquired the entire share capital of Columbia Threadneedle (Europe) Limited (formerly BMO Global Asset Management (Europe) Limited), the Company's immediate parent company. As such, the Group joined Columbia Threadneedle Investments, Ameriprise's global asset management business.

Ameriprise considers the acquired business to be a strong strategic and cultural fit with Columbia Threadneedle Investments and that the acquisition positions the combined business well by extending its reach, scale and investment capabilities. Both businesses share a client-centric culture and have a long-established commitment to responsible investment principles.

BUSINESS AND FINANCIAL REVIEW

Results

The Financial Statements show a loss for the 14-month period to 31 December 2022 of £331,872,000 (year ended 31 October 2021: profit of £7,837,000, restated as disclosed in note 3). The loss in 2022 is primarily a result of a £311,853,000 impairment charge on the Company's investments in subsidiaries. Further details of the impairment are disclosed in note 12. The profit in 2021 was primarily a result of the partial reversal of the impairment loss on the Company's loan receivables of £7,308,000.

As a holding company, the Company's financial results are also driven by the extent of dividends received. In the 14-month period ended 31 December 2022 no dividends were paid to the Company (year ended 31 October 2021: £nil).

Given the principal activity of the Company is to act as a holding company, the Company's Directors are of the opinion that analysis using key performance indicators is not necessary for an understanding of the development, performance or position of the business.

In order to align the Company's reporting date with Ameriprise, the Company's accounting reference date was extended from 31 October to 31 December, resulting in a reporting period of 14 months to 31 December 2022. Therefore, certain amounts presented in these Financial Statements for the 14-month period ended 31 December 2022 are not directly comparable with those for the year ended 31 October 2021.

COLUMBIA THREADNEEDLE AM (HOLDINGS) PLC

STRATEGIC REPORT (continued)

BUSINESS AND FINANCIAL REVIEW (continued)

Dividends

The Company has determined that no dividend will be paid for the 14-month period ended 31 December 2022 (year ended 31 October 2021: £nil).

PRINCIPAL RISKS AND UNCERTAINTIES

The Directors manage the risks as part of the overall risk management framework within the Group. Members of the Group's Executive Committee are responsible for identifying and addressing any material or systematic issues or risks facing their areas of the business. The principal risks and uncertainties facing the Company are broadly grouped as follows:

Investment in subsidiaries

The Company's most significant financial risk relates to the carrying value of its investment in subsidiaries. Any permanent reduction in the profits of these subsidiaries could lead to an impairment in the value of the Company's investments and have a potentially significant impact on the Company's financial results. An impairment of £311,853,000 (year ended 31 October 2021: £nil) was recognised at 31 December 2022, as disclosed in note 12.

Market risk

The Company's most significant exposure to market risk is in the form of interest rate risk through market fluctuations in the variable rate of interest, impacting interest receivable on loans owed by group subsidiaries and interest payable on loans and borrowings subject to interest based on SONIA, LIBOR and SARON rates.

Credit risk

The Company is exposed to credit risk if a counterparty to a financial instrument is unable to pay, in full, amounts when contractually due. The Company's credit risk is principally in relation to loans receivable from other group companies. While the Group's working capital is monitored on a group-wide basis, the risk of non-recovery of the intra-group loans is considered and an expected credit loss (ECL) allowance has been recognised on certain loan receivables as a result of a review of the expected timing of their recoverability.

Liquidity risk

The treasury policy set by the Group only allows financial assets attributable to equity holders to be invested in low risk deposits or money market instruments where the risk of capital loss is low, with prior approval required for any exception to this principal.

The overall cash position is monitored by the treasury team across the Group as a whole and each individual company within the Group draws on the available cash balances to meet its working capital requirements.

COVID-19 pandemic

COVID-19 (also referred to as "coronavirus") continued to impact economies, financial markets and businesses around the world throughout 2022. As in the previous year, the Group coordinated responses to the pandemic and related restrictions regionally and globally to ensure continued delivery for clients, to support employees and to maintain business continuity. The Group maintained operational capacity utilising greater remote working than before the pandemic.

COLUMBIA THREADNEEDLE AM (HOLDINGS) PLC

STRATEGIC REPORT (continued)

FUTURE DEVELOPMENTS

While the Company continues to hold its investment in subsidiary entities, Ameriprise have set out a clear objective to integrate the Group into the broader Columbia Threadneedle Investments operating model, creating an enlarged business comprising the “best of both” for existing and future clients. Clear integration objectives have been developed, and detailed plans and timelines are in place. Since completion of the transaction, both businesses have continued to operate under separate governance and regulatory structures, with any interactions between the two businesses being subject to approval. The integration and optimisation of our combined capabilities is a critical strategic goal for the combined business during 2023 and beyond.

STATEMENT BY THE DIRECTORS IN PERFORMANCE OF THEIR STATUTORY DUTIES IN ACCORDANCE WITH S172(1) OF THE COMPANIES ACT 2006

The Directors are required to perform their duties in a way which promotes good faith and the success of the Company for the benefit of its members (having regards to the stakeholders and matters set out in Section 172 (1) (a-f) of the Act). This requires the Directors to have regard to the:

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

in the decisions taken during the 14-month period ended 31 December 2022.

The Company aims to deliver outcomes that meet the needs of its stakeholders and is committed to act responsibly, transparently and in the best interests of those who trust it to manage their investments.

The Group's corporate responsibility strategy focuses on the core roles it plays: Responsible Partner to our clients; Responsible Investor; Responsible Employer; and Responsible Citizen. When taking key decisions, the Directors receive information from across the Company and wider Group. Information is informed by stakeholder engagement at an operational level, which helps the Directors gain a better understanding of the impact of their decisions on relevant stakeholder interests.

Whilst considering a broad range of interests is an important part of their decision making, the Directors acknowledge that decisions may not result in a positive outcome for all stakeholders.

Examples of how stakeholder interests were considered this reporting period are listed below:

Customers/clients – The Group has a fiduciary duty to its clients and end-customers as managers of their financial assets. Its aim is to provide clients and end-customers with value for money in terms of excellent risk-adjusted investment performance (after fees) and a level of service that meets or exceeds expectations. The Group's commitment to clients is reflected in its Values and in the Code of Conduct which all employees formally sign, acknowledging how they must act at all times.

Employees – The Group's employees are fundamental to the success of the business, and during 2022 we continued to prioritise the health, safety and well-being of employees as we responded to COVID-19 and periods of remote working for the vast majority of employees. We provide a range of resources to support the physical and mental well-being of employees, including private healthcare; self-referral for physiotherapy; access to telephone GP appointments; a confidential counselling service and an online well-being hub. Flexible working remains an important component of our approach to maintaining an inclusive culture and healthy work-life balance.

Suppliers – Throughout the reporting period, the Directors received regular updates on the Group's key third party vendors. These updates include reviewing key performance indicators for the material outsourcing arrangements with the Group's key suppliers and discussions on action being taken to address any areas of concern.

COLUMBIA THREADNEEDLE AM (HOLDINGS) PLC

STRATEGIC REPORT (continued)

Community and Environment – The Group strives to be a responsible member of the community in which it operates and to influence positive change. During the reporting period, the wider Columbia Threadneedle group of companies published its first climate change report which details how it manages climate risks and opportunities in investment portfolios and across our business operations under the Task Force on Climate-related Financial Disclosures (“TCFD”) framework. In addition, the Group also set out its Net Zero Carbon Emissions targets, reaffirming its commitment to working in partnership with clients to reach net zero carbon emissions by 2050, or sooner, across all assets under management, subject to internal, fund board, regulatory and client approvals. This disclosure was the first as a signatory of the Net Zero Asset Managers (“NZAM”) initiative. In addition, the office at Exchange House has signed up to the ‘Plastic Free City’ Scheme and has achieved “Platinum” status. This office and the Company’s registered office at Quartermile 4 maintain an ISO 14001 accreditation that sets out the requirements for an Environmental Management System. This system is used to identify and better manage the buildings’ environmental aspects and impacts and helps the Group to continually improve its environmental performance through a more efficient use of resources and reduction of waste. The electricity used at both offices is derived from 100 per cent. renewable resources.

In 2022, the Group also supported the Spitalfields City Farm Team Challenge; Spitalfields City Farm is a local community resource, and also the Legal Walk, a charity which supports frontline free legal advice services in London and the South East.


Regulators – During the reporting period, the Directors received regular updates on areas of regulatory interest and developments, which included the new Consumer Duty, due to come into effect on 31 July 2023. The Board also received updates on regulatory engagement.

Directors also consider regulatory views when approving the assessment of value reports, new products and updates to existing products.

It is the Board’s commitment to maintain the Company’s reputation by continuing to operate in a responsible manner, within high standards of business conduct, good governance and operating within the regulatory framework of a business such as that of the Company. The governance structure that sits below the Group’s Board is headed by an Executive Committee, which is responsible for the day-to-day management of the business in line with the strategies, business plans, budgets and other initiatives delegated by the Group. It is not a sub-committee of the Board but assists the Chief Executive Officer in the execution of their responsibilities. Below this, responsibility for running the business is overseen by a number of other management committees, functional and leadership teams, which are responsible for the day-to-day management of the business lines of the Group as well as strategy implementation. The Board believes that these governance arrangements enable the Group to deliver its business plans in a rigorously controlled manner.

The Directors are committed to fulfil the requirements of Section 172 of the Companies Act including behaving in a responsible manner to promote the success of the Company for the benefit of its Shareholders, whilst have having regard to various other stakeholder interests.

ON BEHALF OF THE BOARD



D Logan
Director
29 June 2023

COLUMBIA THREADNEEDLE AM (HOLDINGS) PLC

REPORT OF THE DIRECTORS

The Directors present their Annual Report and audited Financial Statements for the 14-month period ended 31 December 2022.

RESULTS AND BUSINESS REVIEW AND PRINCIPAL RISKS AND UNCERTAINTIES

The Company's results for the 14-month period ended 31 December 2022 are shown in the Income Statement on page 12. A Strategic Report for the same period is set out on pages 2 to 5 which includes disclosure of the Company's risks and uncertainties.

The Company recognised a loss of £331,872,000 for the 14-month period ended 31 December 2022 (year ended 31 October 2021: profit of £7,837,000, restated as disclosed in note 3).

FUTURE DEVELOPMENTS

The future developments of the Company are disclosed in the Strategic Report on page 4.

EVENTS AFTER THE REPORTING PERIOD

In March 2023 the Company subscribed for an additional 10 million Ordinary shares of £1 each in its subsidiary Columbia Threadneedle Investment Business Limited. The £10,000,000 consideration was paid in cash.

STATEMENT ON ENGAGEMENT WITH SUPPLIERS, CUSTOMERS AND OTHERS IN A BUSINESS RELATIONSHIP WITH THE COMPANY

The Board of Directors consider that they have acted in the way they consider, in good faith, would be most likely to promote the success of the Company for the benefit of its members in decisions taken during the 14-month period ended 31 December 2022. All decisions, short-term and long-term, have been taken with due regard for the stakeholders as has been detailed in the Strategic Report on pages 4-5.

DIVIDENDS

The Directors do not recommend the payment of a dividend for the 14-month period ended 31 December 2022 (year ended 31 October 2021: £nil).

DIRECTORS AND THEIR INTERESTS

The Directors of the Company who were in office during the 14-month period ended 31 December 2022 and up to the date of approval of the Financial Statements were as follows:

M Jackson	(appointed on 8 November 2021)
D Logan	
K L Mitchem	(resigned on 8 November 2021)
J Z Mohammed	(resigned on 8 November 2021)
G G Ouellette	(resigned on 8 November 2021)
C B Porter	
K C Poynter	(resigned on 8 November 2021, re-appointed on 23 December 2021)
N J Ring	(appointed on 8 November 2021)
A L Roughead	(appointed on 24 May 2023)
R A Sack	
W K S Smith	(resigned on 8 November 2021)
R A Watts	(appointed on 8 November 2021)

No individual Director has any beneficial interest in the share capital of the Company.

COLUMBIA THREADNEEDLE AM (HOLDINGS) PLC

REPORT OF THE DIRECTORS (continued)

DIRECTORS' LIABILITY

During the reporting period and at the date of approval of the Financial Statements, the Company had in force a qualifying third-party indemnity provision in favour of one or more of its Directors against liability in respect of proceedings brought by third parties, subject to the conditions set out in section 234 of the Companies Act 2006. The Group also maintains insurance cover in respect of Directors' and Officers' liability.

INDEPENDENT AUDITORS

PricewaterhouseCoopers LLP (PwC) were appointed as auditors of the Company during the period in accordance with section 485 of the Companies Act 2006. PwC was appointed on 19 August 2022 to align the audit provision across the Ameriprise Group.

ADEQUACY OF THE INFORMATION PROVIDED TO THE AUDITORS

The Directors who held office at the date of approving this Report of the Directors confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditors are unaware, and each Director has taken all the steps that they ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

ON BEHALF OF THE BOARD

A handwritten signature in black ink, appearing to read 'D Logan', is written over a faint dotted line.

D Logan
Director
29 June 2023

COLUMBIA THREADNEEDLE AM (HOLDINGS) PLC

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE STRATEGIC REPORT, THE REPORT OF THE DIRECTORS AND THE FINANCIAL STATEMENTS

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

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have prepared the Financial Statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law).

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

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 101 have been followed, subject to any material departures disclosed and explained in the Financial Statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are also responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the Financial Statements comply with the Companies Act 2006.

COLUMBIA THREADNEEDLE AM (HOLDINGS) PLC

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF COLUMBIA THREADNEEDLE AM (HOLDINGS) PLC (formerly BMO Asset Management (Holdings) plc)

Report on the audit of the financial statements

Opinion

In our opinion, Columbia Threadneedle AM (Holdings) plc (formerly BMO Asset Management (Holdings) plc)'s financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2022 and of its loss for the 14 month period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, including FRS 101 "Reduced Disclosure Framework", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: the Statement of Financial Position as at 31 December 2022; the Income Statement and the Statement of Changes in Equity for the period then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

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

Independence

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

Conclusions relating to going concern

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

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

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

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

Reporting on other information

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

COLUMBIA THREADNEEDLE AM (HOLDINGS) PLC

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF COLUMBIA THREADNEEDLE AM (HOLDINGS) PLC (formerly BMO Asset Management (Holdings) plc) (continued)

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

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

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

Strategic report and Report of the Directors

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and Report of the Directors for the period ended 31 December 2022 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

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

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

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

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

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

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

COLUMBIA THREADNEEDLE AM (HOLDINGS) PLC

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF COLUMBIA THREADNEEDLE AM (HOLDINGS) PLC (formerly BMO Asset Management (Holdings) plc) (continued)

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to the Companies Act 2006, and we considered the extent to which non-compliance might have a material effect on the financial statements. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting of inappropriate manual journal entries. Audit procedures performed by the engagement team included:

- Enquiries with management and legal, including consideration of known or suspected instances of non-compliance with laws and regulations and fraud;
- Identifying and testing journal entries, in particular any journal entries posted with unusual account combinations, entries posted containing unusual account descriptions, entries posted by unexpected users and entries posted with unusual amounts, where any such journal entries were identified;
- Designing audit procedures to incorporate unpredictability around the nature, timing or extent of our testing over certain areas; and
- Reviewing relevant board meeting minutes.

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

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

Use of this report

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


Other required reporting

Companies Act 2006 exception reporting

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

- we have not obtained all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.



Lauren Cooper (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
29 June 2023

COLUMBIA THREADNEEDLE AM (HOLDINGS) PLC

INCOME STATEMENT FOR THE 14-MONTH PERIOD ENDED 31 DECEMBER 2022

	Note	14-month period ended 31 December 2022 £000	Year ended 31 October 2021 (*as restated) £000
Revenue	4	1,889	1,857
Operating expenses	5	(2,212)	(2,861)
Impairment of investments in subsidiaries	12	(311,853)	-
Net impairment (losses)/reversal on financial assets	6	(23,598)	7,308
Operating (loss)/profit		(335,774)	6,304
Finance income	9	4,749	3,168
Finance costs	10	(74)	(892)
(Loss)/profit before tax		(331,099)	8,580
Income tax expense	11	(773)	(743)
(Loss)/profit for the financial period/year		(331,872)	7,837

* The restatement is explained in note 3 to the Financial Statements.

All amounts are derived from continuing operations.

There are no items of comprehensive income which have not already been presented in arriving at the (loss)/profit for the current or previous periods presented respectively. Accordingly, the (loss)/profit is the same as the total comprehensive (expense)/income for that period/year.

The accompanying notes on pages 15 to 41 form an integral part of these Financial Statements.

COLUMBIA THREADNEEDLE AM (HOLDINGS) PLC

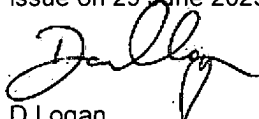
STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2022

(Registered Number SC073508)

		31 December 2022 £000	31 October 2021 (*as restated) £000
	Note		
ASSETS			
Non-current assets			
Investment in subsidiaries	12	522,498	830,895
Loans receivable	13	82,772	105,097
Deferred tax assets	14	581	769
Trade and other receivables	15	548	781
Total non-current assets		606,399	937,542
Current assets			
Trade and other receivables	15	1,785	1,131
Financial investments	16	2,651	2,829
Cash and cash equivalents	17	87	277
Total current assets		4,523	4,237
TOTAL ASSETS		610,922	941,779
LIABILITIES			
Non-current liabilities			
Deferred tax liabilities	14	1,720	868
Provisions	18	-	235
Total non-current liabilities		1,720	1,103
Current liabilities			
Provisions	18	-	293
Trade and other payables	19	2,483	1,966
Interest-bearing loans and borrowings	20	1,611	1,437
Total current liabilities		4,094	3,696
TOTAL LIABILITIES		5,814	4,799
EQUITY			
Share capital	22	880	880
Share premium account	23	406,597	406,597
Capital redemption reserve	23	803	803
Merger reserve	23	240,164	452,312
Capital contribution reserve	23	66,678	66,678
(Accumulated losses)/retained earnings	23	(110,014)	9,710
TOTAL EQUITY		605,108	936,980
TOTAL LIABILITIES AND EQUITY		610,922	941,779

* The restatement is explained in note 3 to the Financial Statements.

The Financial Statements on pages 12 to 41 were approved by the Board of Directors and authorised for issue on 29 June 2023. They were signed on its behalf by:



D Logan
Director

The accompanying notes on pages 15 to 41 form an integral part of these Financial Statements.

COLUMBIA THREADNEEDLE AM (HOLDINGS) PLC

STATEMENT OF CHANGES IN EQUITY FOR THE 14-MONTH PERIOD ENDED 31 DECEMBER 2022

	Share capital £000	Share premium account £000	Capital redemption reserve £000	Merger reserve £000	Capital contribution reserve £000	(Accumulated losses)/retained earnings £000	Total equity £000
At 1 November 2020	880	406,597	803	452,312	66,678	1,873	929,143
Profit for the financial year and total comprehensive income (*as restated)	-	-	-	-	-	7,837	7,837
At 31 October 2021 (*as restated)	880	406,597	803	452,312	66,678	9,710	936,980
Loss for the financial period and total comprehensive expense	-	-	-	-	-	(331,872)	(331,872)
Transactions with owners:							
Transfer from merger reserve in respect of impairment of investments in subsidiaries#	-	-	-	(212,148)	-	212,148	-
At 31 December 2022	880	406,597	803	240,164	66,678	(110,014)	605,108

* The restatement is explained in note 3 to the Financial Statements.

Further details of the transfer from the merger reserve to accumulated losses are disclosed in note 12.

The accompanying notes on pages 15 to 41 form an integral part of these Financial Statements.

COLUMBIA THREADNEEDLE AM (HOLDINGS) PLC

NOTES TO THE FINANCIAL STATEMENTS

1. ENTITY INFORMATION

Columbia Threadneedle AM (Holdings) plc (the Company) is a public limited company by shares in terms of the Companies Act 2006, and is registered in Scotland (registered number SC073508) and domiciled in the United Kingdom. The Company's registered office is 6th Floor, Quatermile 4, 7a Nightingale Way, Edinburgh, EH3 9EG and its principal place of business is Exchange House, Primrose Street, London, EC2A 2NY.

These Financial Statements present information about the Company as an individual undertaking and not about its group. The Company has taken advantage of the exemption under section 400 of the Companies Act 2006 not to prepare group Financial Statements, as it is a wholly owned subsidiary of Columbia Threadneedle Investments UK International Limited, which prepares consolidated Financial Statements. The results of the Company are included in the consolidated Annual Report and Financial Statements of Columbia Threadneedle Investments UK International Limited, which are available from Cannon Place, 78 Cannon Street, London, EC4N 6AG.

The Company's Financial Statements are presented in Sterling and all values are rounded to the nearest thousand pounds (£000) except where otherwise indicated. Previously the Company's Financial Statements were prepared in millions (£m), therefore the previous year has been restated to the nearest thousand pounds.

2. ACCOUNTING POLICIES

The principal accounting policies set out below have been applied consistently for the 14-month period ended 31 December 2022 and the year ended 31 October 2021.

Basis of preparation and statement of compliance

As the Company meets the definition of a qualifying entity under Financial Reporting Standard 100 *Application of Financial Reporting Requirements*, the Financial Statements have been prepared in accordance with Financial Reporting Standard 101 *Reduced Disclosure Framework* (FRS 101).

In preparing these Financial Statements, the Company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the UK (UK-adopted international accounting standards), but makes amendments where necessary in order to comply with the Companies Act 2006 and to take advantage of FRS 101 disclosure exemptions.

In the application of FRS 101, the Company has taken advantage of the following disclosure exemptions:

- (a) Information regarding the entity's objectives, policies and processes for managing capital;
- (b) A Statement of Cash Flows and related notes;
- (c) Financial instruments disclosures, with the exception of financial instruments measured at fair value;
- (d) The effects of new but not yet effective IFRSs;
- (e) Disclosures of key management personnel compensation;
- (f) Disclosures of comparative information for property, plant and equipment; and
- (g) Disclosures in respect of related party transactions with wholly-owned subsidiaries.

Going concern

The Company's activities, together with the factors likely to affect its future development and position are set out in the Strategic Report on pages 2 to 5.

The Company has net assets and net current assets that support the Directors' assessment that it has adequate resources to continue in business for at least 12 months from the date of approval of these Financial Statements. As part of the Directors' assessment of going concern they have considered, as best they can, the potential impact of the integration of the Company into the broader Columbia Threadneedle Investments business. While there can be no absolute certainty, having considered the current results of the Company and the Group, the potential integration activity on the Group's results and operations, and the current liquidity and net assets, the Directors are satisfied that it remains a reasonable assumption that the Company has sufficient resources to meet its working capital requirements for at least 12 months from the date of approval of these Financial Statements. Accordingly, these Financial Statements have been prepared on a going concern basis.

COLUMBIA THREADNEEDLE AM (HOLDINGS) PLC

NOTES TO THE FINANCIAL STATEMENTS (continued)

2. ACCOUNTING POLICIES (continued)

Measurement convention

The Financial Statements are prepared under the historical cost convention, with the exception of 'financial investments' and 'investments in subsidiaries: capital investments in carried interest vehicles', which are measured at fair value through profit or loss (FVTPL).

Accounting estimates, assumptions and judgements

The preparation of financial statements necessitates the use of estimates, assumptions and judgements. These estimates, assumptions and judgements affect the reported amounts of assets, liabilities, contingent assets and contingent liabilities at the reporting date as well as the reported income and expenses for the reporting periods. While estimates are based on management's best knowledge and judgement using information and financial data available to them, the actual outcome may differ from these estimates or require an adjustment to the carrying amount of assets or liabilities affected in future periods.

The key sources of assumptions and estimation uncertainty which could affect the future carrying amounts of assets and liabilities are as follows:

- Significant estimation has been exercised in the impairment review of investments in subsidiaries. Estimates of subsidiary entities' future cash flows and profitability are based on budgets and forecasts which are inherently uncertain in nature. Further details of the impairment and assumptions used are disclosed in note 12.
- The calculation of the allowance for ECLs on the Company's loans receivable balance, as disclosed in note 13, involves estimation uncertainty. The Company uses a discounted cash flow model to determine the ECL which involves an estimation, under a number of scenarios, of the timing of when the loan balance will be repaid. Any change to the assumptions around the timing and amounts of cash flows could impact the allowance for ECLs at the reporting date.
- Management estimation is required to determine the amount of deferred tax assets that can be recognised, based upon the expected timing and quantum of future taxable profits, as estimated at each reporting date. Details of recognised and unrecognised deferred tax assets are disclosed in note 14.
- Management estimation is required when determining the assumptions used to measure the fair value of carried interest investments in subsidiaries. Details, together with sensitivity analysis, are disclosed in note 24.

New and amended standards and interpretations

Several new and amended standards and interpretations apply for the first time in the 14-month period ended 31 December 2022, but do not have an impact on the Company's Financial Statements. The Company has not early adopted any standards, interpretations or amendments that have been issued but are not yet effective.

Summary of significant accounting policies

The principal accounting policies set out below have been applied consistently throughout the 14-month period ended 31 December 2022 and the year ended 31 October 2021.

(a) Foreign currency

The Company's Financial Statements are presented in pounds Sterling, the Company's functional and presentational currency.

Transactions in foreign currencies are translated to the functional currency at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated at the exchange rate ruling at the reporting date, and any exchange differences arising are taken to the Income Statement.

COLUMBIA THREADNEEDLE AM (HOLDINGS) PLC

NOTES TO THE FINANCIAL STATEMENTS (continued)

2. ACCOUNTING POLICIES (continued)

Non-monetary assets and liabilities measured at historical cost in a foreign currency are translated using the exchange rate ruling at the date of the initial transaction and are not subsequently restated. Non-monetary assets and liabilities stated at fair value in a foreign currency are translated at the exchange rate ruling at the date the fair value was determined. When fair value movements in assets and liabilities are reflected in the Income Statement, the corresponding exchange movements are also recognised in the Income Statement. Similarly, when fair value movements in assets and liabilities are reflected directly in equity, the corresponding exchange movements are also recognised directly in equity.

(b) Revenue recognition

Revenue comprises fees for shared services and administration services provided to subsidiaries. Fees are recognised in the Income Statement over the period for which these services are provided.

(c) Finance income

Finance income comprises net fair value gains on financial investments, net fair value gains on capital investments in carried interest vehicles and other interest. Interest income is recognised in the Income Statement as it accrues using the effective interest rate (EIR) method. The EIR is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument to its net carrying amount.

(d) Finance costs

Finance costs comprise interest payable on a loan owed to a group subsidiary, interest payable on a credit facility and bank charges payable. Interest costs are recognised in the Income Statement on an EIR basis.

(e) Income tax

The income tax expense disclosed on the face of the Income Statement represents the aggregate of current tax and the movement in deferred tax.

Current tax is the expected tax payable to, or receivable from, the taxation authorities on the taxable profit or loss for the period, using tax rates enacted or substantively enacted at the reporting date, and includes any adjustment to tax payable in respect of previous years.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amount of assets and liabilities in the Financial Statements and the corresponding tax basis used in the computation of taxable profit or loss, accounted for using the reporting date liability method.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realised, based on tax rates and laws enacted or substantively enacted at the reporting date.

Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised, except in respect of taxable or deductible temporary differences associated with investments in subsidiaries and associates, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the asset to be recovered. Any legal restrictions on the utilisation of available taxable profits is also considered, based on tax rates and tax laws that have been substantively enacted or enacted at the reporting date.

Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are only offset if the Company has a legally enforceable right to offset.

COLUMBIA THREADNEEDLE AM (HOLDINGS) PLC

NOTES TO THE FINANCIAL STATEMENTS (continued)

2. ACCOUNTING POLICIES (continued)

(f) Dividend recognition

Dividends receivable and payable are recognised only when they have been declared and approved.

(g) Current versus non-current classification

The Company presents assets and liabilities in the Statement of Financial Position based on current or non-current classifications. An asset is current if it is expected to be realised within twelve months after the reporting date or held for the purpose of trading. A liability is current if it is due to be settled within twelve months after the reporting date or held for the purpose of trading. All other assets or liabilities are classified as non-current. Deferred tax assets and liabilities are classified as non-current.

(h) Investments in subsidiaries

The components of investments in subsidiaries are held at either fair value or cost less any applicable provision for impairment. The elements are accounted for as follows:

- Direct investments in subsidiaries and capital contributions are held at cost less any applicable provision for impairment.
- A capital contribution arising from legacy equity-settled share-based payments which were settled in the Company's shares and where no cash contributions were made by the subsidiaries was recognised in accordance with IFRS 2 Share-based Payment. This amount was credited to a capital contribution reserve in equity. The Company recharged subsidiaries for certain awards where it satisfied these equity-settled awards with its own shares.
- The investments in subsidiaries relating to carried interest investments are recognised at FVTPL. The Company makes capital contributions into the carried interest Limited Partnerships (LPs), which are consolidated by the Group, and is entitled to carried interest from these contributions.

The Company assesses investments in subsidiaries held at cost for impairment whenever events or changes in circumstances indicate that the carrying amount of an investment may not be recoverable. If any such indication of impairment exists, the Company makes an estimate of its recoverable amount. Where the carrying amount of an investment exceeds its recoverable amount, the investment is considered impaired and is written down to its recoverable amount.

(i) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

i) Financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through OCI and FVTPL.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. With the exception of trade receivables, the Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at FVTPL, transaction costs. As permitted by IFRS 9, the Company has applied the presumption that a trade receivable does not have a significant financing component if the expected term is less than one year.

In order for a financial asset to be classified and measured at amortised cost, it needs to give rise to cash flows that are "solely payments of principal and interest (SPPI)" on the principal amounts outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

COLUMBIA THREADNEEDLE AM (HOLDINGS) PLC

NOTES TO THE FINANCIAL STATEMENTS (continued)

2. ACCOUNTING POLICIES (continued)

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting cash flows, selling the financial assets or both.

The Company has determined that its financial assets, with the exception of financial investments, relate to collecting cash flows.

Subsequent measurement

The Company's financial assets are classified into the categories described below based on its business model for these assets:

(i) Financial assets at amortised cost (debt instruments)

Subsequent to initial recognition, financial assets at amortised cost are measured using the EIR method. Gains and losses are recognised in the Income Statement when an asset is derecognised or impaired. The Company's financial assets at amortised cost consist of loans owed by group subsidiaries, amounts owed by group subsidiaries and an intermediate parent company, group relief receivable, other receivables, and cash and cash equivalents.

(ii) Financial instruments at fair value through profit or loss

Financial assets at FVTPL are carried in the Statement of Financial Position at fair value with net changes in fair value recognised either as finance income or finance expenses in the Income Statement in the period in which they arise. These assets comprise NIC Hedge investments and further details of the fair value measurement are disclosed in accounting policy (k).

Derecognition of financial assets

A financial asset or, where applicable, part of a financial asset, is derecognised when the rights to receive cash flows from the asset have expired.

Impairment of financial assets

The Company recognises an allowance for ECLs for all debt instruments not held at FVTPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate (EIR).

For loans receivable, the Company uses a discounted cash flow model to determine the lifetime ECL. This model assesses the maximum credit exposure, taking into account inputs concerning probabilities of default.

The corresponding movements in the ECL allowances are recognised in profit and loss.

The Company considers a financial asset in default when contractual payments are past due. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

ii) Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as loans and borrowings or trade and other payables, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities consist of accruals, amounts owed to subsidiaries, group relief payable, trade payables, other payables and a loan owed to a group subsidiary.

COLUMBIA THREADNEEDLE AM (HOLDINGS) PLC

NOTES TO THE FINANCIAL STATEMENTS (continued)

2. ACCOUNTING POLICIES (continued)

Subsequent measurement

Subsequent to initial recognition, financial liabilities are measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires.

iii) Offsetting of financial assets and liabilities

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position, only if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

iv) Financial guarantees

The Company assesses, at each reporting date, whether it is required to recognise a liability in respect of any guarantee it has issued. A liability is only recognised if it is probable that an outflow of economic benefits will be required to settle the obligation.

(j) Carried interest entitlement

The Company has a number of investments, which provide it with carried interest entitlements, which are typically linked to the investment performance of the underlying funds exceeding long-term hurdle rates. In a number of instances a share of such 'carry' falls to the benefit of the individual members. The Company recognises the fair value of its share of carried interest investments in the respective Founder Partners. These carried interest investments are classified as FVTPL within investments in subsidiaries.

(k) Fair value measurement

The Company measures financial instruments and non-financial assets at fair value at each reporting date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The fair value of an asset or liability is measured using the assumption that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use capacity or by selling it to another market participant that would use the asset in its highest and best use capacity.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximising the use of observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the Financial Statements are categorised within the fair value hierarchy, as described in note 24, and based on the lowest level input that is significant to the fair value measurement as a whole.

Carried interest investments are valued in accordance with the underlying property or private equity fund valuations and the underlying partnership agreements.

COLUMBIA THREADNEEDLE AM (HOLDINGS) PLC

NOTES TO THE FINANCIAL STATEMENTS (continued)

2. ACCOUNTING POLICIES (continued)

The fair value of instruments that are actively traded in organised financial markets is determined by reference to quoted market bid prices at the close of business on the reporting date. For investments where there is no active market, fair value is determined using valuation methodologies, as described below.

For financial instruments not traded in an active market, the fair value is determined using appropriate valuation techniques. Such techniques may include using recent arm's length market transactions; reference to the current fair value of another instrument that is substantially the same; discounted cash flow analysis or other valuation models.

(l) Cash and cash equivalents

Cash and cash equivalents comprise cash balances held with banks.

(m) Accounting for Employee Benefit Trusts (EBTs)

The Company sponsors an EBT which owns or holds investments to enable it to satisfy future settlements of employee benefits. The assets of the EBT, which relate to unsettled awards, are consolidated into the Company's results. Investments held by the EBT are recognised as assets at fair value in the Statement of Financial Position.

(n) Provisions

A provision is recognised in the Statement of Financial Position when the Company has a legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. No provision is established where a reliable estimate of the obligation cannot be made.

Where the Company expects some or all of a provision to be recovered from external parties, the recovery is recognised as a separate asset but only when the reimbursement is virtually certain.

(o) Share capital

When shares are issued, any component that creates a financial liability of the Company is presented as a liability in the Statement of Financial Position, measured initially at fair value, net of transaction costs and thereafter at amortised cost until extinguished, on conversion or redemption.

The remainder of the issue proceeds is allocated to the equity component and included in shareholder's equity, net of transaction costs.

COLUMBIA THREADNEEDLE AM (HOLDINGS) PLC

NOTES TO THE FINANCIAL STATEMENTS (continued)

3. PRIOR YEAR ADJUSTMENT

The forecast profitability information used in the assessment of the recognition of deferred tax for unused tax losses at 31 October 2021 should have better reflected the uncertainty over future taxable profits in the Company and the UK Group. This would have then impacted the decision to recognise a deferred tax asset on these losses at that date. As a result, the recognition of deferred tax assets for losses was incorrect at 31 October 2021.

The Company has therefore restated the financial statement line items affected for the prior period, as follows:

Income Statement for the year ended 31 October 2021

	As previously reported £000	Adjustment £000	As restated £000
Profit before tax	8,580	-	8,580
Income tax expense	(32)	(711)	(743)
Profit for the financial year	8,548	(711)	7,837

The revised loss for the year ended 31 October 2021 is the same as the total comprehensive expense for that period.

Statement of Financial Position as at 31 October 2021

	As previously reported £000	Adjustment £000	As restated £000
Deferred tax assets	1,480	(711)	769
TOTAL ASSETS	942,490	(711)	941,779
Retained earnings	10,421	(711)	9,710
TOTAL EQUITY	937,691	(711)	936,980
TOTAL LIABILITIES AND EQUITY	942,490	(711)	941,779

4. REVENUE

	14-month period ended 31 December 2022 £000	Year ended 31 October 2021 £000
Shared services and administration services fees	1,889	1,857

COLUMBIA THREADNEEDLE AM (HOLDINGS) PLC

NOTES TO THE FINANCIAL STATEMENTS (continued)

5. OPERATING EXPENSES

Total operating expenses can be summarised into the following categories:

	14-month period ended 31 December 2022 £000	Year ended 31 October 2021 £000
Administrative expenses	1,373	2,097
Inter-company recharges	973	834
Net foreign exchange loss/(gain)	175	(80)
Premises (income)/expenses	(309)	10
Operating expenses	2,212	2,861

Audit fees attributable to the Company for the audit of the Financial Statements for the 14-month period ended 31 December 2022 were £52,000 (year ended 31 October 2021: £95,000).

The Company did not have any employees during the 14-month period ended 31 December 2022 (year ended 31 October 2021: nil).

6. NET IMPAIRMENT (LOSSES)/REVERSAL ON FINANCIAL ASSETS

During the period/year, the following (losses)/reversals were recognised in the Income Statement in relation to financial assets:

	14-month period ended 31 December 2022 £000	Year ended 31 October 2021 £000
Impairment (loss)/reversal	(23,598)	7,308

7. DIRECTORS' REMUNERATION

Details of Directors' remuneration for services provided to the Company are as follows:

	14-month period ended 31 December 2022 £000	Year ended 31 October 2021 £000
Aggregate emoluments and amounts received under long-term incentive schemes	1,628	622
Aggregate contributions paid to defined contribution pension schemes	-	-
Payments to former Directors*	-	1,679

* Payment relates to vesting of share-based payment award.

COLUMBIA THREADNEEDLE AM (HOLDINGS) PLC

NOTES TO THE FINANCIAL STATEMENTS (continued)

7. DIRECTORS' REMUNERATION (continued)

During the period/year the number of Directors who were receiving benefits and share incentives was as follows:

	14-month period ended 31 December 2022 No.	Year ended 31 October 2021 No.
Received or were entitled to receive shares under long-term incentive schemes	2	1
Accruing benefits under defined benefit pension scheme	-	-

The amounts in respect of the highest paid Director are as follows:

	14-month period ended 31 December 2022 £000	Year ended 31 October 2021 £000
Aggregate emoluments and amounts received under long-term incentive schemes	691	352
Contributions paid to defined contribution pension schemes	-	-

The highest paid Director received share awards in respect of qualifying services to the Company under a long-term incentive scheme during the year.

The Company has no employees (including Directors) under a contract of employment, with all Group employees employed by other subsidiary companies.

The remuneration of M Jackson and N Ring is paid by a subsidiary outside the Group and not recharged to the Company or any company in the Group. The time spent on the Company by these Directors is deemed immaterial based on the time spent on the Company being significantly lower relative to the time spent working on other subsidiary undertakings. The remuneration is deemed to be wholly attributable to their services to subsidiaries outside the immediate Group. Accordingly, the above details do not include their remuneration.

8. DIVIDENDS

No dividends were declared, paid or proposed during the 14-month period ended 31 December 2022 (year ended 31 October 2021: £nil).

9. FINANCE INCOME

	14-month period ended 31 December 2022 £000	Year ended 31 October 2021 £000
Net fair value gains on capital investments in carried interest vehicles	3,890	2,679
Interest receivable on loan owed by group subsidiary	859	-
Net fair value gains on financial investments	-	488
Other interest	-	1
	<u>4,749</u>	<u>3,168</u>

COLUMBIA THREADNEEDLE AM (HOLDINGS) PLC

NOTES TO THE FINANCIAL STATEMENTS (continued)

10. FINANCE COSTS

	14-month period ended 31 December 2022 £000	Year ended 31 October 2021 £000
Net fair value losses on financial investments	62	-
Bank charges payable	7	6
Interest payable on a loan owed to a group subsidiary	5	4
Credit facility fee	-	882
	<u>74</u>	<u>892</u>

11. INCOME TAX EXPENSE

(a) Analysis of income tax expense in the period/year

The income tax expense recognised in the Income Statement is as follows:

	14-month period ended 31 December 2022 £000	Year ended 31 October 2021 (*as restated) £000
Current income tax:		
<i>UK Corporation Tax</i>		
Current tax on profit for the period/year	247	(232)
Adjustments in respect of previous periods	(514)	(182)
Total current income tax	<u>(267)</u>	<u>(414)</u>
Deferred tax:		
Origination and reversal of temporary difference	725	1,155
Adjustments in respect of previous periods	101	-
Adjustments in respect of Corporation Tax rate changes	214	2
Total deferred tax	<u>1,040</u>	<u>1,157</u>
Income tax expense reported in the Income Statement	<u>773</u>	<u>743</u>

* The restatement is explained in note 3 to the Financial Statements.

COLUMBIA THREADNEEDLE AM (HOLDINGS) PLC

NOTES TO THE FINANCIAL STATEMENTS (continued)

11. INCOME TAX EXPENSE (continued)

(b) Reconciliation of income tax expense for the period/year

A reconciliation between the actual income tax expense and the accounting (loss)/profit before tax multiplied by the Company's domestic tax rate for the 14-month period ended 31 December 2022 and year ended 31 October 2021 is as follows:

	14-month period ended 31 December 2022 £000	Year ended 31 October 2021 (*as restated) £000
(Loss)/profit before tax	(331,099)	8,580
Tax at the Company's statutory income tax rate of 19% (year ended 31 October 2021: 19%)	(62,909)	1,630
Adjustments in respect of previous periods	(413)	(182)
Non-taxable items	63,881	(1,287)
Corporation Tax rate changes	214	2
Write-off of historical tax losses	-	580
Income tax expense reported in the Income Statement	773	743

* The restatement is explained in note 3 to the Financial Statements.

(c) Effective rate of tax and factors affecting future tax charges

The current UK Corporation Tax rate of 19% became effective from 1 April 2017, resulting in a statutory UK Corporation Tax rate of 19% for the 14-month period ended 31 December 2022 for the Company.

The UK Government announced an increase in the UK Corporation Tax rate from 19% to 25% effective from 1 April 2023. This was substantively enacted on 24 May 2021. The effect of this rate change has been to increase the net deferred tax liabilities of the Company by a £214,000 charge through the Income Statement.

The increase in the UK Corporation Tax rate will lead to a statutory UK Corporation Tax rate for the Company of 23.5% for the year ending 31 December 2023 and 25% for years ending 31 December 2024 onwards.

The deferred tax assets and liabilities have been stated at the rate at which the temporary differences are expected to reverse, except where the timing of the reversal is clearly known.

No additional UK Corporation Tax rate changes have been substantively enacted since the reporting date.

COLUMBIA THREADNEEDLE AM (HOLDINGS) PLC

NOTES TO THE FINANCIAL STATEMENTS (continued)

12. INVESTMENTS IN SUBSIDIARIES

	£000
Cost:	
At 1 November 2020	1,291,888
Carried interest distributions to the Company	(230)
Fair value gains	2,679
At 31 October 2021	1,294,337
Carried interest distributions to the Company	(434)
Fair value gains	3,890
At 31 December 2022	1,297,793
Cumulative impairment:	
At 1 November 2020 and 31 October 2021	463,442
Impairment in the period ended 31 December 2022	311,853
At 31 December 2022	775,295
Net book value:	
At 31 October 2021	830,895
At 31 December 2022	522,498

Investments in subsidiaries comprises the following elements:

	14-month period ended 31 December 2022 £000	Year ended 31 October 2021 £000
Carried at cost less impairment:		
Direct investments in subsidiaries	503,834	754,838
Equity-settled share-based payment awards made by subsidiaries	10,300	71,149
Capital contributions	1,400	1,400
Carried at fair value:		
Capital investments in carried interest vehicles	6,964	3,508
	522,498	830,895

The Directors assess the Company's investments in subsidiaries for impairment whenever events or changes in circumstances indicate that the carrying amount of the investment may not be recoverable. The carrying value of the Company's investments in subsidiaries was tested for impairment at the reporting date.

An impairment loss of £311,853,000 (year ended 31 October 2021: £nil) arose in investments in subsidiaries, with a reduction in revenue over the forecast period in certain subsidiaries contributing to this impairment, along with the impact of an increase in the discount rate applied in the calculation of the recoverable value of the asset. This impairment loss was recognised in the Income Statement.

The recoverable amount of the asset (determined using their values in use), to which the carrying value has been written down, is based on the value in use calculated using management's latest five-year forecast and a pre-tax discount rate of 11.55% as derived from the Ameriprise Financial, Inc. post-tax weighted average cost of capital (31 October 2021: 9.25%).

COLUMBIA THREADNEEDLE AM (HOLDINGS) PLC

NOTES TO THE FINANCIAL STATEMENTS (continued)

12. INVESTMENTS IN SUBSIDIARIES (continued)

Revenue in year one of the net present value model is based on the budget for 2023, with revenue for years two to five based on management forecasts for those years. The forecasts inherently reflect management's growth projections relating to net new business. Whilst no further adjustment is made for net new business beyond the management forecast period, all revenues have been grown from year six onwards at the perpetuity growth rate of 3% (31 October 2021: 2%). Operating expenses in year one are based on the 2023 budget, with years two to five based on management forecasts, reflecting growth in line with expense inflation assumptions. Operating expenses for 2028 have also been grown in line with management's expense inflation assumptions, with the perpetuity growth rate as disclosed above applied thereafter.

During 2022, an amount of £212,148,000 (year ended 31 October 2021: £nil) was transferred from the merger reserve to (accumulated losses)/retained earnings in respect of this impairment, as disclosed in the Statement of Changes in Equity on page 14, as the impairment related to subsidiaries which were acquired via the issue of shares which resulted in the creation of the related merger reserve.

13. LOANS RECEIVABLE

	31 December 2022 £000	31 October 2021 £000
Current:		
Loans owed by Group subsidiaries	115,534	114,261
Allowance for ECLs/impairment provision	(32,762)	(9,164)
	<u>82,772</u>	<u>105,097</u>

As at 31 December 2022, loans owed by Group subsidiaries include a loan of £106,044,000 (31 October 2021: £104,771,000) to Columbia Threadneedle Treasury Limited (formerly BMO AM Treasury Limited) which, from 1 November 2021, bears interest at the average SONIA rate less 40% (year ended 31 October 2021: subject to interest at three-month LIBOR minus 0.25%), and a loan of £9,490,000 (31 October 2021: £9,490,000) to F&C Alternative Investments (Holdings) Limited which is not subject to interest. Both loans are unsecured and repayable on demand. However, the Company does not expect to receive repayment of these loans within the next year.

The loans owed by Group subsidiaries have no external credit rating and the carrying amounts, as disclosed above, represent the Company's maximum exposure to credit risk.

The non interest-bearing loan to F&C Alternative Investments (Holdings) Limited has been reviewed for expected recoverability at the reporting date and has an impairment provision of £9,490,000 (31 October 2021: £8,721,000).

A separate impairment analysis was performed on the interest-bearing loan receivable balance at each reporting date to measure ECLs. The calculation reflects the time value of money associated with recovery of the loan receivable. The discount rate applied, based on the effective loan interest rate, at 31 December 2022 was 2.06% per annum (31 October 2021: 0.03% per annum). An additional impairment allowance of £22,829,000 was recognised during the 14-month period ended 31 December 2022.

COLUMBIA THREADNEEDLE AM (HOLDINGS) PLC

NOTES TO THE FINANCIAL STATEMENTS (continued)

14. DEFERRED TAX ASSETS AND LIABILITIES

(a) Recognised deferred tax assets and liabilities

Deferred tax assets and liabilities are attributable to the following:

	31 December 2022			31 October 2021 (*as restated)		
	Assets £000	Liabilities £000	Net £000	Assets £000	Liabilities £000	Net £000
Property, plant and equipment	532	-	532	714	-	714
Other provisions	49	-	49	55	-	55
Fair value of carried interest investment	-	(1,720)	(1,720)	-	(868)	(868)
Deferred tax assets/(liabilities)	581	(1,720)	(1,139)	769	(868)	(99)

* The restatement is explained in note 3 to the Financial Statements.

Based on the profit forecasts of the Company and other fellow UK subsidiaries of Ameriprise, the Directors believe it is appropriate to recognise these deferred tax assets as it is considered probable that there will be suitable future taxable profits in the Company and other fellow UK subsidiaries of Ameriprise in the next five years from which the underlying temporary differences can be deducted. Under current UK Corporation Tax legislation, all of the temporary differences disclosed above can be carried forward indefinitely to utilise against appropriate future profits.

(b) Movement in temporary differences during the period/year

	1 November 2021 £000	Tax expense recognised in profit or loss £000	31 December 2022 £000
Property, plant and equipment	714	(182)	532
Other provisions	55	(6)	49
Fair value of carried interest investment	(868)	(852)	(1,720)
	(99)	(1,040)	(1,139)

	1 November 2020 £000	Tax (expense)/ income recognised in profit or loss (*as restated) £000	31 October 2021 (*as restated) £000
Unused tax losses	580	(580)	-
Property, plant and equipment	634	80	714
Other provisions	45	10	55
Fair value of carried interest investment	(201)	(667)	(868)
	1,058	(1,157)	(99)

* The restatement is explained in note 3 to the Financial Statements.

(c) Unrecognised deferred tax assets

At 31 December 2022 the Company has unrecognised tax losses of £16,319,000 (31 October 2021: £16,319,000 losses, as restated). Deferred tax assets have not been recognised in respect of these losses as there is uncertainty around whether there will be sufficient taxable profits that will arise in the Company against which the losses can be offset and when such profits would arise.

COLUMBIA THREADNEEDLE AM (HOLDINGS) PLC

NOTES TO THE FINANCIAL STATEMENTS (continued)

15. TRADE AND OTHER RECEIVABLES

	31 December 2022 £000	31 October 2021 £000
Non-current:		
Other receivables	548	548
Group relief receivable	-	233
	<u>548</u>	<u>781</u>
Current:		
Amounts owed by Group subsidiaries	597	800
VAT receivable	567	84
Group relief receivable	434	222
Amounts owed by intermediate parent company	187	-
Other receivables	-	25
	<u>1,785</u>	<u>1,131</u>

In the Directors' opinion, there are no discernible differences between the carrying amounts and fair values of the receivable balances disclosed due to the short-term maturities of these receivables.

The Company determined that the ECL on trade receivables and other receivables were immaterial at both reporting dates.

16. FINANCIAL INVESTMENTS

The following assets are classified as FVTPL:

	NIC Hedge £000	Carried interest investments £000	Total £000
At 1 November 2020	2,364	39	2,403
Disposals in the year	(62)	-	(62)
Fair value gains in the year	488	-	488
At 31 October 2021	<u>2,790</u>	<u>39</u>	<u>2,829</u>
Disposals in the period	(116)	-	(116)
Fair value losses in the period	(62)	-	(62)
At 31 December 2022	<u>2,612</u>	<u>39</u>	<u>2,651</u>

NIC hedge – investments in equities and other assets made via an Employee Benefit Trust for the purpose of funding future NIC on legacy employee share plans.

Carried interest investments – investments in property funds which entitle the Company to a share of future profits upon exceeding predetermined performance hurdles.

There are no restrictions on the Company's title to the above assets and none are pledged as security. However, the NIC Hedge investments have been ring-fenced within an Employee Benefit Trust to settle employee benefit liabilities of the Group.

COLUMBIA THREADNEEDLE AM (HOLDINGS) PLC

NOTES TO THE FINANCIAL STATEMENTS (continued)

17. CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise:

	31 December 2022 £000	31 October 2021 £000
Cash at bank and in hand	87	277

Cash and cash equivalents are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes.

The Company determined that the ECLs on cash and cash equivalents were immaterial at both reporting dates. The fair value of cash and cash equivalents at the reporting dates is as shown above.

18. PROVISIONS

	Pension Plan guarantee £000	End of lease dilapidations £000	Total £000
At 1 November 2020	115	672	787
Provided during the year	120	43	163
Utilised during the year	-	(380)	(380)
Released during the year	-	(42)	(42)
At 31 October 2021	235	293	528
Released during the period	(235)	(293)	(528)
At 31 December 2022	-	-	-
At 31 December 2022:			
Non-current liabilities	-	-	-
Current liabilities	-	-	-
At 31 October 2021:			
Non-current liabilities	235	-	235
Current liabilities	-	293	293

Pension Plan guarantee

The Company has agreed to provide the F&C Asset Management Pension Plan (FCAM Plan) Trustees with a guarantee that, should Columbia Threadneedle (Services) Limited (formerly BMO Asset Management (Services) Limited), a subsidiary undertaking, become insolvent, the Company will make available an amount up to the lower of:

- the cost of securing members' benefits with an insurance company in excess of the valuation of the assets of the FCAM Plan (the 'solvency deficit'); and
- £70.0m.

The provision represents the actuarial estimate of the fair value of the guarantee at 31 December 2022 and 31 October 2021, taking into consideration the likelihood of insolvency of Columbia Threadneedle (Services) Limited. As the FCAM Plan had a surplus on the solvency basis at 31 December 2022, the provision was released during the period.

End of lease dilapidations

The Company had obligations to reinstate certain premises back to their original condition when the lease expired. While the leases expired in 2020, the exact quantum and timing of this remedial work was unknown at that time. It has since been agreed during the 14-month period ended 31 December 2022 that no dilapidation costs will be charged to the Company.

COLUMBIA THREADNEEDLE AM (HOLDINGS) PLC

NOTES TO THE FINANCIAL STATEMENTS (continued)

19. TRADE AND OTHER PAYABLES

	31 December 2022 £000	31 October 2021 £000
Current:		
Accruals	1,547	1,661
Amounts owed to subsidiary company	568	32
Group relief payable	247	-
Other payables	121	268
Trade payables	-	5
	<u>2,483</u>	<u>1,966</u>

In the Directors' opinion, there are no discernible differences between the carrying amounts and the fair values of the payable balances disclosed, due to the short-term maturities of these payables.

20. INTEREST-BEARING LOANS AND BORROWINGS

	31 December 2022 £000	31 October 2021 £000
Current:		
Loan owed to Group subsidiary	<u>1,611</u>	<u>1,437</u>

The loan is owed to Columbia Threadneedle Management (Swiss) GmbH (formerly BMO Global Asset Management (Swiss) GmbH), a Group subsidiary. The loan is unsecured, repayable on demand and is subject to interest at the higher of the average SARON rate or 0.25% (year ended 31 October 2021: interest at the higher of the 3-month CHF LIBOR or 0.25%).

Borrowing facilities

Credit facility

The Company had a credit facility with Bank of Montreal for £173.0m until 8 November 2021. Interest on any drawdowns were charged at LIBOR +2% per annum. Any undrawn facility was charged at 0.5% per annum.

No drawdowns were made on this facility during the years ended 31 October 2021 or 31 October 2020. The facility was terminated on 8 November 2021 following the Group's acquisition.

21. PENSION COMMITMENTS

Columbia Threadneedle (Services) Limited is the sole participating company in the FCAM Plan, but the Company remains the principal employer. The Company has provided a guarantee in respect of this Plan, further details of which are described in note 18.

COLUMBIA THREADNEEDLE AM (HOLDINGS) PLC

NOTES TO THE FINANCIAL STATEMENTS (continued)

22. SHARE CAPITAL

	31 December 2022		31 October 2021	
	No. of shares	£000	No. of shares	£000
Authorised shares:				
Ordinary shares of 0.1p	1,000,000,000	1,000	1,000,000,000	1,000
Deferred share capital of 0.1p	100	-	100	-
Issued and fully paid:				
Equity interests				
Ordinary shares of 0.1p	879,834,265	880	879,834,265	880
Non-equity interests				
Deferred share capital of 0.1p	1	-	1	-

Columbia Threadneedle (Europe) Limited, the Company's immediate parent, holds the Deferred share and all Ordinary shares.

The holders of Ordinary shares are entitled to receive dividends as declared from time to time, to capital distribution rights (including on a winding-up), and to one vote per share at meetings of the Company. The Deferred share confers all the rights of an ordinary share, except it has none of the aforementioned entitlements.

23. RESERVES

The analysis of movements in reserves is disclosed within the Statement of Changes in Equity on page 14.

Nature and purpose of reserves:

Share premium account

The share premium account is used to record the issue of share capital in excess of par value.

Capital redemption reserve

The capital redemption reserve is used to maintain the capital of the Company when shares are bought back or redeemed and subsequently cancelled without Court approval.

Merger reserve

The merger reserve is used to record share premium on shares issued by way of consideration in respect of acquisitions.

Transfers between the merger reserve and retained earnings are permitted in respect of impairment of investments in subsidiaries where the original acquisition consideration was by issue of shares.

Capital contribution reserve

The capital contribution reserve was used to record equity-settled share-based payment awards issued by the Company's subsidiaries, less certain amounts recharged to the subsidiaries, where the Company previously settled awards in its own equity.

(Accumulated losses)/retained earnings

(Accumulated losses)/retained earnings comprise:

- net profits and losses recognised through the Income Statement;
- transactions relating to settlement of share-based payment awards by subsidiaries;
- dividend distributions to equity holders;
- actuarial gains and losses recognised on pension obligations;
- deferred tax on actuarial gains and losses;
- the purchase and sale of own shares;
- the allotment of share capital for non-cash consideration; and
- transfers from the merger reserve.

COLUMBIA THREADNEEDLE AM (HOLDINGS) PLC

NOTES TO THE FINANCIAL STATEMENTS (continued)

24. FAIR VALUE MEASUREMENT

Fair value hierarchy

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by category of valuation technique:

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.

Level 3: Techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

Transfers between categories generally occur when the status of available prices changes.

Fair value measurement

In the Directors' opinion there are no discernible differences between the amortised cost carrying amounts and the fair values of the loans receivable, trade and other receivables, cash and cash equivalents and trade and other payables balances disclosed, due to the short-term maturities of these financial instruments.

The following tables provide the fair value measurement hierarchy of the Company's other financial assets, together with their carrying amounts shown in the Statement of Financial Position. There were no transfers between the Level 1, 2 and 3 hierarchies during 2022 or 2021.

Quantitative disclosures of fair value measurement hierarchy as at 31 December 2022:

	Carrying amount at 31 December 2022 £000	Fair value at 31 December 2022 £000	Fair value measurement		
			Level 1 £000	Level 2 £000	Level 3 £000
Financial assets at FVTPL:					
Financial investments (note 16)	2,651	2,651	1,363	1,249	39
Investments in subsidiaries - capital investments in carried interest vehicles (note 12)	6,964	6,964	-	-	6,964
	<u>9,615</u>	<u>9,615</u>	<u>1,363</u>	<u>1,249</u>	<u>7,003</u>

Quantitative disclosures of fair value measurement hierarchy as at 31 October 2021:

	Carrying amount at 31 October 2021 £000	Fair value at 31 October 2021 £000	Fair value measurement		
			Level 1 £000	Level 2 £000	Level 3 £000
Financial assets at FVTPL:					
Financial investments (note 16)	2,829	2,829	1,225	1,565	39
Investments in subsidiaries - capital investments in carried interest vehicles (note 12)	3,508	3,508	-	-	3,508
	<u>6,337</u>	<u>6,337</u>	<u>1,225</u>	<u>1,565</u>	<u>3,547</u>

Fair values of assets and liabilities

The above tables disclose the financial instruments which are measured at fair value.

The Level 1 assets are valued using quoted prices in active markets. These are listed funds or equities and assets with daily quoted prices which are traded on recognised exchanges.

COLUMBIA THREADNEEDLE AM (HOLDINGS) PLC

NOTES TO THE FINANCIAL STATEMENTS (continued)

24. FAIR VALUE MEASUREMENT (continued)

The Level 2 assets have directly observable market inputs other than Level 1 inputs. These generally constitute pooled liquidity funds, offshore mutual funds or funds not quoted on a daily basis.

The Level 3 assets are fair valued using inputs not based on observable market data and consist of direct holdings and carried interest holdings in private equity and property funds.

Valuation techniques, assumptions and inputs used to measure fair value

The following summarises the major methods and assumptions used in estimating the fair values of Level 1 financial instruments:

Financial investments

The fair value of the level 1 financial investments is based on quoted bid market prices at the reporting date without any deduction for transaction costs.

The following tables show the valuation techniques used in measuring Level 2 and Level 3 fair values, as well as the significant unobservable inputs used.

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurements
Financial investments measured at FVTPL	<p>OEICs, SICAVs and pooled liquidity funds: net asset value of the fund divided by the number of units, with the frequency of calculation determined on a fund by fund basis in accordance with the relevant fund rules.</p> <p>SICAVs are priced on a forward basis under a single swinging price regime once daily. The net asset value of the fund is dictated by the latest mid-market prices of the underlying securities.</p> <p>The carried interest investments are recorded at cost, being their original investment. No carried interest is anticipated from these investments.</p>	OEICs, SICAVs and pooled liquidity funds where some are not on quoted markets and some prices are calculated infrequently.	OEICs, SICAVs and pooled liquidity funds should have little impact on the fair value measurement.
Investments in subsidiaries – capital investments in carried interest vehicles	<p>Private equity carried interest investments: valued in accordance with International Private Equity and Venture Capital Valuation Guidelines.</p> <p>The carried interest valuation is based on the expected carried interest cash flows which are discounted by a risk premium over time. The expected cash flows are probability-weighted based on various growth scenarios.</p> <p>The underlying fund distributions and valuations determines when the carried interest threshold is met and the level of expected future cash flows.</p> <p>The underlying funds valuations are based on both quoted prices for listed investments and unobservable inputs for unlisted investments.</p>	<p>The main assumptions used in the valuation methodology are:</p> <p>(a) Discount rates:</p> <ul style="list-style-type: none"> • 15% on private equity future cash flows where the rate of return threshold has been achieved and the carry conditions have been met. • 40% on private equity future cash flows where the rate of return threshold has not been achieved as the distributions to satisfy the carry conditions have not been made. <p>(b) The underlying fund investment valuations are determined in accordance with International Private Equity and Venture Capital Valuation Guidelines.</p> <p>(c) The timing of future carried interest distributions.</p> <p>(d) The probability weightings applied to each growth scenario.</p>	<p>The estimated fair value of the carried interest investments and liabilities would increase or decrease if the:</p> <ul style="list-style-type: none"> • Valuation of the underlying investments in the funds changed the valuation of the carried interest investment; • Underlying investments in the funds were realised at a significantly different amount to their valuation, therefore impacting the level of distributions; • Timing of the carried interest distributions changed significantly; or • Risk-adjusted discount rate was lower or higher.

COLUMBIA THREADNEEDLE AM (HOLDINGS) PLC

NOTES TO THE FINANCIAL STATEMENTS (continued)

24. FAIR VALUE MEASUREMENT (continued)

Level 3 assets measured at FVTPL on a recurring basis:

	Investments in subsidiaries – capital investments in carried interest vehicles £000	Financial investments £000	Total £000
Fair value movements			
At 1 November 2020	1,059	39	1,098
Total gains recognised in profit or loss	2,679	-	2,679
Carried interest distributions to the Company	(230)	-	(230)
At 31 October 2021	3,508	39	3,547
Total gains recognised in profit or loss	3,890	-	3,890
Carried interest distributions to the Company	(434)	-	(434)
At 31 December 2022	6,964	39	7,003

The fair value gains recognised are recorded in the Income Statement, as disclosed in note 9.

	14-month period ended 31 December 2022 £000	Year ended 31 October 2021 £000
Finance income		
Investments in subsidiaries – capital investments in carried interest vehicles	3,890	2,679
Gain on financial instruments and non-financial assets measured at FVTPL	3,890	2,679

Sensitivities for Level 3 assets

Investments in subsidiaries – capital investments in carried interest vehicles

The use of different assumptions in the valuation of the carried interest investments could lead to different measurements of fair value. Changing one or more of the significant unobservable inputs to reasonably possible alternative assumptions, holding the other inputs constant, would have the following effects on the profit or loss after taxation, through changes in fair value gains or losses:

31 December 2022

	10% increase	10% decrease
Carried interest fair value movement*		
Increase/(decrease) in investment valuation	£1,444,000	(£1,121,000)
Timing of carried interest distributions	Cash flow profile delayed by one year	
Decrease in investment valuation		(£1,184,000)
Discount rate movement	5% increase	5% decrease
(Decrease)/increase in investment valuation	(£632,000)	£728,000

* Represents a 10% change to the investment valuation at the reporting date.

COLUMBIA THREADNEEDLE AM (HOLDINGS) PLC

NOTES TO THE FINANCIAL STATEMENTS (continued)

25. SUBSIDIARY AND RELATED UNDERTAKINGS

The Company either controls or has an interest in the following entities at 31 December 2022:

	Percentage interest and voting rights*	Country of registration or incorporation	Registered address
(i) United Kingdom			
FP Asset Management Holdings Limited ⁽¹⁾	100	England	(a)
Columbia Threadneedle (Services) Limited (formerly BMO Asset Management (Services) Limited) ⁽¹⁾	100	Scotland	(b)
F&C Investment Manager plc ⁽¹⁾	100	England	(a)
F&C Equity Partners Holdings Limited ⁽¹⁾	100	England	(a)
F&C Equity Partners plc ⁽¹⁰⁾	100	England	(a)
Columbia Threadneedle Treasury Limited (formerly BMO AM Treasury Limited) ⁽¹⁾	100	England	(a)
Columbia Threadneedle Group (Holdings) Limited (formerly BMO AM Group (Holdings) Limited) ⁽¹⁾	100	England	(a)
F&C Group ESOP Trustee Limited ⁽¹⁾	100	Scotland	(b)
Columbia Threadneedle Investment Business Limited (formerly BMO Investment Business Limited) ⁽¹⁾	100	Scotland	(b)
F&C Finance plc ⁽¹⁾	100	England	(a)
F&C Aurora (GP) Limited ⁽¹⁾	100	Scotland	(b)
The Aurora Fund (Founder Partner) LP ⁽¹⁾	50†	Scotland	(b)
LPE II (Founder Partner) LP ⁽²¹⁾	Nil†	Scotland	(b)
F&C European Capital Partners (GP) Limited ⁽¹⁾	100	Scotland	(b)
F&C European Capital Partners (Founder Partner) LP ⁽¹⁾	50†	Scotland	(b)
F&C European Capital Partners II (GP) Limited ⁽¹⁾	100	Scotland	(b)
F&C European Capital Partners II (Founder Partner) LP ⁽¹⁾	49†	Scotland	(b)
F&C European Capital Partners II (GP) LP ⁽²⁰⁾	100†	Scotland	(b)
F&C Climate Opportunity Partners (GP) Limited ⁽¹⁾	100	Scotland	(b)
F&C Climate Opportunity Partners (Founder Partner) LP ⁽¹⁾	50†	Scotland	(b)
F&C Climate Opportunity Partners (GP) LP ⁽¹⁹⁾	100†	Scotland	(b)
Columbia Threadneedle Real Estate Partners LLP (formerly BMO Real Estate Partners LLP) ⁽¹⁾	100†	England	(c)
Columbia Threadneedle Asset Managers Limited (formerly BMO Asset Managers Limited) ⁽²⁾	100	England	(a)
WAM Holdings Ltd ⁽³⁾	100	England	(a)
Columbia Threadneedle Fund Management Limited (formerly BMO Fund Management Limited) ⁽⁴⁾	100	England	(a)
Columbia Threadneedle Managers Limited (formerly BMO Managers Limited) ⁽⁴⁾	100	England	(a)
F&C Alternative Investments (Holdings) Limited ⁽⁵⁾	100	England	(a)
Columbia Threadneedle Group (Management) Limited (formerly BMO AM Group (Management) Limited) ⁽⁵⁾	100	England	(a)
Columbia Threadneedle Holdings Limited (formerly BMO AM Holdings Limited) ⁽⁶⁾	100	England	(a)
F&C (CI) Limited ⁽⁷⁾	100	England	(a)
Columbia Threadneedle Investment Services Limited (formerly BMO AM Investment Services Limited) ⁽⁷⁾	100	England	(a)
Columbia Threadneedle Management Limited (formerly BMO Asset Management Limited) ⁽⁷⁾	100	England	(a)
F&C Unit Management Limited ⁽⁸⁾	100	England	(a)
FCEM Holdings (UK) Limited ⁽⁸⁾	100	England	(a)
F&C Emerging Markets Limited ⁽⁹⁾	100	England	(a)
F&C Private Equity Nominee Limited ⁽¹¹⁾	100	England	(a)
Columbia Threadneedle REP AM plc (formerly BMO REP Asset Management plc) ⁽¹²⁾	100	England	(c)
REIT Asset Management Limited ⁽¹²⁾	100	England	(c)
Columbia Threadneedle REP (Corporate Services) Limited (formerly BMO REP (Corporate Services) Limited) ⁽¹⁸⁾	100	England	(c)
F&C REIT Corporate Finance Limited ⁽¹⁸⁾	100	England	(c)
Columbia Threadneedle REP PM Limited (formerly BMO REP Property Management Limited) ⁽¹³⁾	100	England	(c)

COLUMBIA THREADNEEDLE AM (HOLDINGS) PLC

NOTES TO THE FINANCIAL STATEMENTS (continued)

25. SUBSIDIARY AND RELATED UNDERTAKINGS (continued)

	Percentage interest and voting rights*	Country of registration or incorporation	Registered address
Columbia Threadneedle Capital (UK) Limited (formerly BMO AM Capital (UK) Limited) ⁽¹⁶⁾	100	England	(a)
Thames River Capital LLP ^{(17)#}	100†	England	(a)
Columbia Threadneedle Multi-Manager LLP (formerly BMO AM Multi-Manager LLP) ^{(17)#}	100†	England	(a)
Ivory & Sime Limited ⁽¹⁾	100	Scotland	(b)
Columbia Threadneedle Unit Trust Managers Limited (formerly BMO Unit Trust Managers Limited) ⁽¹⁾	100	England	(a)
The Ivory & Sime Employee Benefit Trust ⁽¹⁾	N/A	Scotland	(b)
Columbia Threadneedle PE Co-Investment GP LLP (formerly BMO PE Co-Investment GP LLP) ⁽¹⁾	100†	Scotland	(b)
Columbia Threadneedle PE Co-Investment FP LP (formerly BMO PE Co-Investment FP LP) ⁽¹⁾	50†	Scotland	(b)
FCIT PE FP LP (formerly BMO FCIT PE FP LP) ⁽²³⁾	61†	Scotland	(b)
Astraeus III GP LLP (formerly BMO Astraeus III GP LLP) ⁽¹⁾	100†	England	(a)
Astraeus III FP LP ⁽²⁴⁾	100†	Scotland	(b)
Castle Mount Impact Partners GP LLP ⁽¹⁾	100*	Scotland	(b)
Castle Mount Impact Partners FP LP ⁽¹⁾	100*	Scotland	(b)
(ii) Non United Kingdom			
The F&C Management Limited Employee Benefit Trust ⁽¹⁾	N/A	Jersey	(d)
Columbia Threadneedle Capital (Group) Limited (formerly BMO AM Capital (Group) Limited) ⁽¹⁾	100	Cayman Islands	(e)
Columbia Threadneedle Netherlands B.V. (formerly BMO Asset Management Netherlands B.V.) ⁽⁵⁾	100	The Netherlands	(f)
F&C Ireland Limited ⁽⁵⁾	100	Republic of Ireland	(g)
Columbia Threadneedle Luxembourg S.A. (formerly BMO Asset Management Luxembourg S.A.) ⁽⁵⁾	100	Luxembourg	(h)
Columbia Threadneedle REP SARL (formerly BMO Real Estate Partners S.à.r.l.) ⁽¹²⁾	100	Luxembourg	(i)
CT Real Estate Partners GMBH & Co. KG (formerly BMO Real Estate Partners GmbH & Co KG) ⁽¹⁴⁾	100†	Germany	(j)
Columbia Threadneedle Capital (Holdings) Limited (formerly BMO AM Capital (Holdings) Limited) ⁽¹⁵⁾	100	Cayman Islands	(e)
Thames River Capital Family Benefit Trust ⁽¹⁷⁾	N/A	Guernsey	(k)
Ivory & Sime (Japan) KK ⁽¹⁾	100	Japan	(l)
CT Real Estate Partners Verwaltungsgesellschaft MBH (formerly BMO Real Estate Partners Verwaltungsgesellschaft mbH) ⁽²²⁾	100	Germany	(j)
FOSCA II Manager S.à.r.l. ⁽¹³⁾	33	Luxembourg	(m)
Columbia Threadneedle Management (Swiss) GmbH (formerly BMO Global Asset Management (Swiss) GmbH) ⁽¹⁾	100	Switzerland	(n)
CT UK Residential Real Estate FCP RAIF (formerly BMO UK Residential Real Estate FCP-RAIF) ⁽¹²⁾	33	Luxembourg	(o)

* Voting rights are in respect of Ordinary share capital holdings except where indicated.

† Partnership interest in voting rights.

These entities have non-coterminous 31 March reporting dates to comply with local reporting requirements or partnership agreements.

* Ownership based on persons of significant control being Group entities.

(1) Owned or sponsored by Columbia Threadneedle AM (Holdings) plc

(2) Owned by FP Asset Management Holdings Limited

(3) Owned by Columbia Threadneedle Treasury Limited

(4) Owned by WAM Holdings Ltd

(5) Owned by Columbia Threadneedle Group (Holdings) Limited

(6) Owned by Columbia Threadneedle Group (Management) Limited

(7) Owned by Columbia Threadneedle Holdings Limited

(8) Owned by Columbia Threadneedle Management Limited

(9) Owned by FCEM Holdings (UK) Limited

(10) Owned by F&C Equity Partners Holdings Limited

COLUMBIA THREADNEEDLE AM (HOLDINGS) PLC

NOTES TO THE FINANCIAL STATEMENTS (continued)

25. SUBSIDIARY AND RELATED UNDERTAKINGS (continued)

- (11) Owned by F&C (CI) Limited
- (12) Owned by Columbia Threadneedle Real Estate Partners LLP
- (13) Owned by Columbia Threadneedle REP AM plc
- (14) Owned by Columbia Threadneedle REP S.à.r.l.
- (15) Owned by Columbia Threadneedle Capital (Group) Limited
- (16) Owned by Columbia Threadneedle Capital (Holdings) Limited
- (17) Columbia Threadneedle Capital (UK) Limited is the Corporate Member or sponsoring company
- (18) Owned by REIT Asset Management Limited
- (19) F&C Climate Opportunity Partners (GP) Limited is the General Partner
- (20) F&C European Capital Partners II (GP) Limited is the General Partner
- (21) F&C Aurora (GP) Limited is the General Partner
- (22) General Partner to CT Real Estate Partners GmbH & Co KG
- (23) Columbia Threadneedle PE Co-Investment GP LLP is the General Partner
- (24) Astraeus III GP LLP is the General Partner

Registered addresses

- (a) Exchange House, Primrose Street, London, EC2A 2NY
- (b) 6th Floor, Quartermile 4, 7a Nightingale Way, Edinburgh, EH3 9EG
- (c) 7 Seymour Street, London, W1H 7JW
- (d) JTC Group, PO Box 1075, JTC House, 28 Esplanade, St Helier, Jersey, Channel Islands, JE4 2QP
- (e) Intertrust Corporate Services (Cayman) Limited, 190 Elgin Avenue, George Town, Grand Cayman, KY1-9005, Cayman Islands
- (f) Jachthavenweg 109E, 1081 KM Amsterdam, Netherlands
- (g) 70 Sir John Rogerson's Quay, Dublin 2, Ireland
- (h) 49, Avenue J.F. Kennedy, L-1855, Luxembourg
- (i) 6, Rue Gabriel Lippmann, L-5365, Munsbach, Luxembourg
- (j) Oberanger 34-36, D-80331 München, Germany
- (k) Zedra, Third Floor, Cambridge House, Le Truchot, St Peter Port, Guernsey, GY1 3UW
- (l) Shinagawa TS Building, 4th Floor, 13-40, Konan 2-Chome, Minato-Ku, Tokyo 108-0075, Japan
- (m) 1, Rue Hildegard von Bingen, L-1282, Luxembourg
- (n) Claridenstrasse 40, 8002 Zürich, Switzerland
- (o) 5, Heienhaff, L-1736 Senningerberg, Luxembourg

Limited Partnerships in which the Group has no interest, but whose General Partner is controlled by the Group are not consolidated under IFRS 10. However, under Companies Act 2006 the following entities are considered to be subsidiary undertakings of the General Partners and, as such, of the Group:

	Registered address	Country of registration
The Aurora Fund LP	(a)	Scotland
LPE II LP	(a)	Scotland
F&C Climate Opportunity Partners LP	(a)	Scotland
The Astraeus Fund III LP	(b)	England
F&C European Capital Partners LP	(b)	England
F&C European Capital Partners A LP	(b)	England
F&C European Capital Partners B LP	(b)	England
F&C European Capital Partners II LP	(a)	Scotland
Castle Mount LP	(a)	Scotland
FCIT PE FP LP	(a)	Scotland

The registered addresses for the above funds are:

- (a) 6th Floor, Quartermile 4, 7a Nightingale Way, Edinburgh, EH3 9EG.
- (b) Exchange House, Primrose Street, London, EC2A 2NY.

COLUMBIA THREADNEEDLE AM (HOLDINGS) PLC

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

26. RELATED PARTY TRANSACTIONS

(a) Related party transactions with Ameriprise Group companies

Ameriprise is the ultimate parent undertaking. All transactions between the Company and the wider Ameriprise Group are considered to be related party transactions, but are exempt from disclosure in the Company Financial Statements on the basis that all transactions are consolidated in the Financial Statements of Ameriprise Financial, Inc.

(b) Transactions with entities which are not wholly owned

The Company has made carried interest investments in each of F&C REIT Carry LP, F&C REIT Carry 3 LP, F&C REIT Carry 4 LP, F&C REIT Carry 5 LP, F&C REIT Carry 6 LP, F&C REIT Carry 8 LP and BMO REP Carry 9 LP, as disclosed in note 16. These LP's and the underlying funds are managed by a former minority partner of Columbia Threadneedle Real Estate Partners LLP (formerly BMO Real Estate Partners LLP). These investments entitle the Company to a share of any future carried interest arising from the management of the Club Deals LPs. No carried interest distributions were received from the LP's in 2022 (2021: nil) nor had any achieved the carry threshold.

27. GUARANTEES

The Company has provided the following as at 31 December 2022:

- A guarantee in respect of the FCAM Plan. No provision was recognised at 31 December 2022 (31 October 2021: £235,000) in respect of this guarantee, details of which are disclosed in note 18.
- Guaranteed funding for its subsidiary Columbia Threadneedle Treasury Limited until 30 June 2023 for satisfying its liabilities. At 31 December 2022, Columbia Threadneedle Treasury Limited had net liabilities of £135,041,000.
- Guaranteed funding for its subsidiary F&C Alternative Investments (Holdings) Limited until 25 July 2023 for satisfying its liabilities. At 31 December 2022, F&C Alternative Investments (Holdings) Limited had net liabilities of £9,425,000.
- Guaranteed funding for its subsidiary FP Asset Management Holdings Limited until 7 July 2023 for satisfying its liabilities. At 31 December 2022, FP Asset Management Holdings Limited had net liabilities of £919,000.
- Guaranteed funding for its subsidiary Columbia Threadneedle Capital (UK) Limited (formerly BMO AM Capital (UK) Limited) until 25 August 2023 for satisfying its liabilities. At 31 December 2022, Columbia Threadneedle Capital (UK) Limited had net current liabilities of £7,723,000, however, it has had overall net assets of £5,353,000.

The guaranteed funding for subsidiaries has not been recognised as a provision at 31 December 2022 or 31 October 2021 as the Directors consider it unlikely that there will be an outflow of economic benefits in respect of these guarantees.

28. CONTINGENT LIABILITIES

In the normal course of its business, the Company may be subject to matters of litigation or dispute. While there can be no assurances, at this time the Directors believe, based on the information currently available to them, that it is not probable that the ultimate outcome of any of these matters will have a material adverse effect on the financial condition of the Company.

COLUMBIA THREADNEEDLE AM (HOLDINGS) PLC

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

29. ULTIMATE PARENT COMPANY AND CONTROLLING PARTY

The Company's immediate parent company is Columbia Threadneedle (Europe) Limited, a company registered in England.

The smallest group of which the Company is a member and for which Group Financial Statements are prepared is Columbia Threadneedle Investments UK International Limited. Copies of the Group Annual Report and Financial Statements can be obtained from its registered office at Cannon Place, 78 Cannon Street, London, EC4N 6AG.

The Company's ultimate parent company and controlling party is Ameriprise Financial, Inc., a company incorporated in the United States of America. The consolidated financial statements of Ameriprise Financial, Inc. are available from the Corporate Secretary's Office, Ameriprise Financial, Inc., 1098 Ameriprise Financial Center, Minneapolis, Minnesota, 55474, United States of America.

30. EVENTS AFTER THE REPORTING PERIOD

In March 2023 the Company subscribed for an additional 10 million Ordinary shares of £1 each, in its subsidiary Columbia Threadneedle Investment Business Limited. The £10,000,000 consideration was paid in cash.