

ANNUAL REPORT
AND
FINANCIAL STATEMENTS

31 December 2024

Quilter Private Client Advisers Limited

Registered in England and Wales No. 06201261

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COMPANY INFORMATION

Directors

M Andrews
P P Barnacle
A I McGlone

Secretary

Quilter CoSec Services Limited

Independent auditors

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Registered in England and Wales No 06201261

STRATEGIC REPORT

The Directors present their strategic report for the year ended 31 December 2024.

REVIEW OF THE BUSINESS AND PRINCIPAL ACTIVITIES

The principal activity of Quilter Private Client Advisers Limited (the “**Company**”) is the provision of pension and investment advice to retail clients. The Company is incorporated in England and Wales and domiciled in the UK.

The Company is authorised and regulated by the Financial Conduct Authority (“**FCA**”).

The Company is part of the Quilter plc Group (“**Quilter**” or the “**Group**”). Quilter plc’s ordinary shares are listed on the London and Johannesburg Stock Exchanges. Quilter provides the Company with strategic and governance oversight.

On 22nd April 2025, the Company completed the sale of its trade and assets to Quilter Cheviot Limited (“**QCL**”) and intends to cease trading and enter into liquidation in due course. Otherwise, there have not been any significant changes to the Company’s principal activity in the year under review.

QUILTER PLC STRATEGY

The Group’s strategy is focused on growing with its clients and advisers, enhancing the efficiency of its operations and increasing digitalisation across the business. This will enable Quilter to increase flows from both its own advisers and independent financial advisers, to manage more of those flows in the Group’s investment solutions and to increase the efficiency of doing so, delivering top-line growth and operating leverage. Those priorities are underpinned by embodying a diverse and inclusive culture, where colleagues embrace Quilter’s cultural values of doing the right thing, always curious, embracing challenge and stronger together which aids achieving Quilter’s goals and benefits all stakeholders.

QUILTER PRIVATE CLIENT ADVISERS LIMITED STRATEGY

The Company is part of Quilter’s High Net Worth segment and oversight is from Quilter Cheviot Limited (“**QCL**”), another Group company. The Company provides investment management services to high net worth clients facilitating the execution of Quilter’s strategy to organise the Group into two core client-focused segments. Quilter Private Client Advisers Limited remains an authorised representative of Quilter Financial Services Limited and Quilter Mortgage Planning Limited, both subsidiaries within the Quilter Financial Planning (“**QFP**”) group.

The Company offers a restricted advice proposition to high net worth clients, delivered through an employed adviser model and drawing upon the capabilities of companies in the wider Group that provide strong and compelling platform and investment propositions. The Company is committed to offering a controlled advice proposition that delivers excellent customer outcomes.

KEY PERFORMANCE INDICATORS (KPIs)

Management evaluate the performance of the business using a number of measures. Key metrics for the Company were as follows:

	2024	2023
Adviser headcount number at year end for advisers operating under Quilter Private Client Advisers Limited	66	71
	£'000	£'000
Total income	20,662	19,682
Administration expenses and finance costs	(33,532)	(33,149)
(Loss) before taxation	(12,870)	(13,467)
Cash and cash equivalents	9,902	18,651
Net assets	26,502	35,548

During the year under review, the Company made a loss before tax of £12,870k compared to a prior year loss before tax of £13,467k. Total income for the year of £20,662k represented a £980k increase on the prior year. This was predominantly driven by an increase in fee income of £487k and an increase in other income relating to costs recharged to QCL during the year.

STRATEGIC REPORT (continued)

GOING CONCERN

On the basis that the Company has ceased to trade post year-end and will be liquidated in due course, the financial statements have been prepared on a basis other than going concern. Accordingly, balances previously due in more than one year have been reclassified as current. No other adjustments were required as a result of preparing the financial statements on a basis other than going concern. Note 2 to the financial statements contains further information on the basis of accounting.

PRINCIPAL RISKS AND UNCERTAINTIES

The management of the business and the execution of the Company's strategy is subject to a number of risks. The Company has adopted the Risk Management framework of the Group which supports the evaluation and management of business opportunities, uncertainties and threats in a structured and disciplined manner.

Business strategy and performance– The Company's principal revenue streams are related to the value of assets under management and, as such, the Company is exposed to the condition of global economic markets. Geopolitical risk remains high due to ongoing conflicts in Ukraine and the Middle East, along with a steady increase in China-Taiwan tensions. These risks have the potential to impact the global economy through increases in inflation, impacting economic growth and equity markets. Throughout 2024, external economic conditions have improved from 2023, and this improvement has been reflected in flows over the year.

Business operation– Operational complexity and the efficacy of controls and processes related to the day-to-day running of the business pose an inherent risk to the Company. This includes those processes which have been outsourced to third parties and where oversight is critical for the Company to gain assurance over activities delegated outside of its direct control. The Company's operations provide services to customers and as such need to be effective and resilient to ensure that good customer outcomes are delivered and maintained. The Company has continued to progress the enhancement of its operational environment and improving resilience across the business to ensure compliance with our operational resilience obligations.

Technology and security– A stable, reliable and up-to-date technology environment underpins the delivery of our services to customers and advisers and ensures that the Company has technical resilience proportionate to its risk appetite. Disruption to the stability and availability of the Company's technology, or that of its third parties, could result in damaging service outages and a potential breach of impact tolerances for Quilter's Important Business Services. The risk of an information security incident is a constant and evolving risk which has the potential to impact the Company's reputation, regulatory standing, and the services it provides to customers.

Customer and product proposition– Delivery of quality advice, including the delivery of ongoing servicing and a high level of adviser conduct and competency is essential. A lack of robust oversight by the Company could lead to delayed identification of unsuitable advice or products resulting in poor outcomes for customers. As such, the Company continually looks to improve its control environment in relation to the oversight of advice and remains focused on ensuring that products and services are designed and maintained in line with the Consumer Duty.

Regulatory, tax and legal– As an Appointed Representative, the Company is not directly regulated by the FCA, but is expected to comply with relevant FCA rules and guidelines, enforced by its principal. This includes the Consumer Duty, which sets a higher standard of consumer protection in financial services. The Company is also subject to the privacy regulations enforced by the Information Commissioner's Office. The Company faces risks associated with compliance with these regulations, and changes to regulation or regulatory focus in the markets in which the Company operates and other statutory requirements. Failure to manage regulatory, tax or legal compliance effectively could result in censure, fines or prohibitions which could impact business performance and reputation.

People–The Company relies on its talent to deliver service to customers and to progress strategic initiatives. The Company's talent pool is key to the ongoing progress of the company by having a diverse range of staff and views that will provide the senior management of the future. We seek to proactively identify talent gaps to support the future capabilities required to implement the Company's strategy.

STRATEGIC REPORT (continued)

Emerging risks– Within Quilter, risks which are less certain in terms of timescales and impacts are identified and monitored. The identification of these risks contributes to stress and scenario testing, feeding into the Group's strategic planning process. The list below sets out the most significant emerging risks to the Company:

Geopolitical landscape– Following elections in many parts of the world in 2024, governments will need to respond swiftly to mounting economic, social, security, environmental and technological challenges. Their ability to do so and the nature of the response is likely to have an impact on customers' circumstances and may therefore affect attitudes toward financial investments.

Geopolitical risks are considered to remain elevated and increasing with the ongoing Russia / Ukraine war, renewed conflict in the Middle East and increasing tensions between China and Taiwan, creating the potential for further macro-economic destabilisation.

Cyber threats– We have observed increased cyber activity in conflict zones and around global elections. Adversaries continue to use advancements in technology to increase the likelihood of success in attacks and this has also lowered the barrier to entry for conducting criminal cyber activity.

The rapid growth of AI is likely to continue to increase the nature and sophistication of attacks; and we continue to monitor the evolution of quantum computing and its potential impact on cyber security.

Generational shifts– A significant proportion of UK household wealth is held by the over-45s. The likelihood of intergenerational inequality increases as this population engages in inheritance planning and institutions (employers, the State and financial service providers) transfer pensions risk to individuals. Attitudes towards wealth management are shifting with younger generations being increasingly attracted by digital propositions and by funds with greater positive social and environmental impacts. These trends present both opportunities and threats to Quilter in the form of changing consumer demands and expectations.

Disruptive competition & technology– The potential entrance of “big tech” firms into financial service delivery, coupled with the white labelling of platforms and the alignment of private equity firms could see competitors acquire skills and technology, accelerating their digital capabilities. This, alongside advancements in Digital/Hybrid Advice could see new players in the already highly competitive market, having the potential to erode Quilter's market share and increase fee pressure across the value chain.

Advice evolution– There are a number of factors contributing to an evolving advice market. These include: both a shortage and ageing demographic of financial advisers; an increased demand for digital propositions; and regulatory activity designed to bridge the advice gap, including the Advice Guidance Boundary Review. These developments present opportunities and threats which the Company will need to respond to.

Climate change– To avoid a climate catastrophe, global emissions must reach net-zero by 2050. The speed of this transition to a greener economy impacts certain sectors and financial stability. For Quilter's customers, this is likely to impact the desirability of investment in sectors such as coal, oil, gas and manufacturing. Opportunities exist in the shift to a greener economy. Physical climate risks continue to crystallise and are expected to become more extreme and more frequent in the future, threatening the stability of the UK's infrastructure. This poses challenges to both Quilter's and its critical third parties' operations which must be considered as part of operational resilience planning.

SECTION 172 (1) STATEMENT

The Company is a wholly owned subsidiary of Quilter plc and therefore operates in line with the strategy that is set by the Quilter plc Board. This requires adherence to Group policies and procedures, including those relating to standards of business conduct, employees, the environment, the community and other stakeholders as described in the Quilter plc Annual Report. The following statement should therefore be read in conjunction with the Quilter plc Annual Report 2024.

To ensure that Quilter achieves its purpose of bright financial futures for every generation, it is critical for the Board to balance the needs, interests and expectations of our key stakeholders. At times these competing stakeholder views can be contradictory and in order to achieve long term success, it is the Board's role to navigate these complexities. The Board, with support from Corporate Secretariat, continues to engage with management to explain the importance of the considerations referred to in section 172 (1) as part of good decision-making, to ensure that proposals coming to the Board contain

STRATEGIC REPORT (continued)

appropriate information on the potential impact of business decisions on all stakeholders of the Company and other relevant matters. Insights into how Quilter plc has ensured that section 172 (1) considerations remain at the heart of the Group's decision-making at all levels and the outputs of these decisions have been set out in the Quilter plc Annual Report.

The Directors of the Company are fully aware of their responsibilities to promote the success of the Company in accordance with section 172 (1) of the Companies Act 2006 and acknowledge that effective and meaningful engagement with stakeholders is key to promoting the success of the Company. Given the activities of the Company, the key stakeholders are limited to the Company's sole shareholder, other Group entities, suppliers, customers, the community, and the environment. Consideration is given to these stakeholders when deliberating at Board meetings to the extent appropriate. Further details of how the Company has had regard for its stakeholders can be found in the Directors' Report.

The Board of Quilter Cheviot Limited ("**QCL**") is responsible for the overall oversight of the High Net Worth segment, which comprises Quilter Cheviot Holdings Limited and its subsidiaries (the "Quilter Cheviot Group"). Details of how the directors of QCL discharged their duties under section 172 (1) of the Companies Act 2006 are set out in the QCL Annual Reports 2024.

Approved by the Board and signed on its behalf by



P P Barnacle
Director
4th June 2025

DIRECTORS' REPORT

The directors present their annual report and audited financial statements for the year ended 31 December 2024.

The review of the business, including future outlook and principal risks and uncertainties are disclosed within the strategic report.

DIRECTORS

The directors of the Company who held office during the year and up to the date of the signing these financial statements were:

M Andrews
A I McGlone
P P Barnacle

The company secretary during the year was Quilter CoSec Services Limited.

FUTURE DEVELOPMENTS

On 22nd April 2025, the Company completed the sale of its trade and assets to QCL and intends to cease trading and enter into liquidation in due course.

DIRECTORS' THIRD PARTY INDEMNITY PROVISIONS

Qualifying third-party provisions (as defined by section 234 of the Companies Act 2006) were in force during the course of the financial year ended 31 December 2024 for the benefit of the then Directors, and at the date of this report, are in force for the benefit of the Directors in relation to certain losses and liabilities which may occur (or have occurred) in connection with their duties/powers or office. In addition, the Company maintains Directors' and Officers' Liability Insurance which gives appropriate cover for legal action brought against its Directors.

DIVIDENDS

The Directors do not recommend the payment of a dividend (2023: £nil).

EMPLOYEES

Our people policies support our aim to create an inclusive culture that embraces diversity and enables our people to thrive. They also reflect relevant employment laws and principles, including the Universal Declaration of Human Rights and the International Labour Organisation Declaration on Fundamental Principles and Rights at Work. All employees and suppliers providing on site services in the UK are paid no less than the real Living Wage, a voluntary initiative run by the Living Wage Foundation.

We promote equal opportunities and ensure that no job applicant or colleague is subject to discrimination or less favourable treatment on the grounds of age, gender reassignment, marital status, nationality, ethnicity, sex or sexual orientation, responsibilities for dependents, physical or mental disability or religion or belief. We are committed to continuing the employment of, and for arranging training for, employees who have become disabled while employed by Quilter. We select candidates for interview, career development and promotion based on their skills, qualifications, experience and potential.

A grievance procedure is in place to provide a clear and secure route for employees to raise a complaint or problem about any issue relating to their work, working environment, pay and benefits, working hours or is concerned about any other issue affecting their employment. In line with our whistleblowing policy, colleagues are required to report knowledge or suspicion of malpractice or actions that endanger Quilter's employees or assets. The whistleblowing policy provides employees who raise concerns in good faith with protection from detriment to their future employment opportunities. Concerns can be reported to line managers, HR, Risk and Compliance or via the independent confidential ethics hotline which is available year round.

The Company seeks the views of colleagues through the Workday Peakon Employee Voice tool. Through this tool we survey colleagues on a regular basis, which provides senior leaders and managers real-time insights and feedback from colleagues. The Employee Forum represents colleagues across Quilter and meets with senior leaders on a monthly basis to discuss key issues that impact the interests of our people. The views of the Employee Forum, together with views and feedback from the regular surveys, are taken into account and support management decision making.

As part of the Group governance framework, the Company relies upon Group practices and processes to support employees. Further details are described in full in the Quilter plc Annual Report for 2024

DIRECTORS' REPORT (continued)

FINANCIAL INSTRUMENTS

The financial risk management objectives and policies of the Company are disclosed in note 5.

POLITICAL DONATIONS

No political donations were made during the year (2023: £nil).

BUSINESS RELATIONSHIPS STATEMENT

The Company forms part of the Quilter Group, with Quilter plc providing strategic and governance oversight to each of its subsidiaries. During the course of their decision-making the Board of the Company, together with the Board of Quilter plc, have considered their duties to stakeholders, including the need to foster business relationships.

Our Third-Party Risk Management policy sets out requirements with respect to our procurement, outsourcing and supplier management activities. Our Supplier Code of Conduct applies to all suppliers and their sub-contractors that provide goods and services to Quilter. It sets out the minimum standards we expect our suppliers to adhere to when doing business with Quilter in addition to the contractual terms agreed. The Code covers legal compliance, ethical standards, conflicts of interest, anti-bribery and corruption, brands, trademarks and intellectual property, information and data protection, labour standards, living wage, discrimination, health and safety, and environmental management. We also expect our suppliers to promote these standards in their own supply chain where practical.

An explanation of how the Directors have had regard to the need to foster the Company's business relationships with suppliers, customers and others, and the effect of that regard, including on the principal decisions taken by the Company during the financial year, has been set out in the Section 172 (1) Statement above and in the Quilter plc 2024 Annual Report, which does not form part of this report.

BASIS OF ACCOUNTING

On the basis that the Company has ceased to trade post year-end and will be liquidated in due course, the financial statements have been prepared on a basis other than going concern. Note 2 to the financial statements contains further information on the basis of accounting.

CLIMATE CHANGE

Quilter considers the climate-related risks and opportunities for its operations and investments and reports on these annually. The framework is aligned with the Task Force on Climate-related Financial Disclosures ("TCFD") disclosure requirements. Further details can be found online at: plc.quilter.com/responsible-business/reports-and-statements. Quilter has set operational carbon emissions targets, and these are part of the Executive Directors' Long-Term Incentive Plan. In our role as an adviser, we continually work to embed climate considerations in our investment management and stewardship activity and offer clients climate focused investment solutions.

ENERGY AND CARBON REPORTING

The Group is committed to managing its environmental impact and discloses annually to CDP (formerly known as the Carbon Disclosure Project), a globally recognised initiative for companies to measure, manage, disclose and reduce their environmental impacts. A full explanation of how the Directors regard the impact on the environment is contained within the Quilter plc Annual Report 2024. The Company is exempt from reporting company-specific information as it is a subsidiary of the Group.

INVESTING RESPONSIBLY

Within our investment management businesses, we embed Environmental, Social and Governance factors within our investment process and Quilter is a signatory of the UK Stewardship code and the UN-backed Principles for Responsible Investment. Within our advice and suitability processes we enable our clients to invest in accordance with their responsible investment preference.

INDEPENDENT AUDITORS

PricewaterhouseCoopers LLP has been appointed by the Company to hold office in accordance with section 485 of the Companies Act 2006.

DIRECTORS' REPORT (continued)

DISCLOSURE OF INFORMATION TO AUDITORS

Each of the persons who is a Director at the date of approval of this report confirms that:

- so far as the Directors 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.

This confirmation is given in accordance with the provisions of the Companies Act 2006.

Approved by the Board and signed on its behalf by



P P Barnacle
Director
4th June 2025

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

The Directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulation.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 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.

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

Independent auditors' report to the members of Quilter Private Client Advisers Limited

Report on the audit of the financial statements

Opinion

In our opinion, Quilter Private Client Advisers Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2024 and of its loss for the year 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 2024; the Statement of comprehensive income and the Statement of changes in equity for the year then ended; and the notes to the financial statements, comprising material accounting policy information and other explanatory information.

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.

Emphasis of matter - financial statements prepared on a basis other than going concern

In forming our opinion on the financial statements, which is not modified, we draw attention to note 2 to the financial statements which describes the directors' reasons why the financial statements have been prepared on a basis other than going concern.

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.

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

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

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

Strategic report and Directors' report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and Directors' report for the year ended 31 December 2024 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

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

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

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

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

Auditors' responsibilities for the audit of the financial statements

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

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

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to 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 inappropriate journal entries to manipulate the results of the company, and management bias in accounting estimates and judgemental areas of the financial statements, such as impairment assessments. Audit procedures performed by the engagement team included:

- Discussions with the Governance, Audit and Risk Committee, internal audit, management involved in the risk, compliance and legal functions, including considerations of known or suspected instances of non-compliance with laws and regulations and fraud;
- Reviewing minutes of meetings of the board of directors, as well as those from the Quilter Cheviot Governance, Audit and Risk Committee;
- Testing certain journal entries, identified by applying risk based criteria and agreeing to supporting evidence;
- Challenging assumptions and judgements made by management in their critical accounting estimates, where appropriate;
- Designing audit procedures to incorporate unpredictability around the nature, timing or extent of our testing;
- Reviewing the disclosures in the Annual Report against the specific legal requirements, for example within the Directors' Report.

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

Quilter Private Client Advisers Limited

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.



Helen Grainger (Senior Statutory Auditor)

for and on behalf of PricewaterhouseCoopers LLP

Chartered Accountants and Statutory Auditors

Southampton

4 June 2025

STATEMENT OF COMPREHENSIVE INCOME

for the year ended 31 December 2024

	Note	2024 £'000	2023 £'000
Income			
Revenue	6	19,324	18,837
Interest income		759	822
Other income		579	23
Total income		<u>20,662</u>	<u>19,682</u>
Expenses			
Administrative expenses	7	(33,520)	(33,125)
Finance costs	9	(12)	(24)
Total Expenses		<u>(33,532)</u>	<u>(33,149)</u>
Loss before tax		(12,870)	(13,467)
Taxation credit	10	3,222	2,711
Loss for the year after tax		<u>(9,648)</u>	<u>(10,756)</u>
Total Comprehensive Income		<u>(9,648)</u>	<u>(10,756)</u>

All income and expenditure in the current and prior year is derived from discontinued operations.

The notes on pages 17 to 40 are an integral part of these financial statements.

STATEMENT OF CHANGES IN EQUITY

for the year ended 31 December 2024

	Share Capital	Capital contribution reserve	Accumulated losses	Total equity
	£'000	£'000	£'000	£'000
Balance at 1 January 2024	105,061	825	(70,338)	35,548
Total comprehensive income for the year	-	-	(9,648)	(9,648)
Tax credit recognised in reserves	-	120	1	121
Share-based payment credit	-	280	201	481
Balance at 31 December 2024	<u>105,061</u>	<u>1,225</u>	<u>(79,784)</u>	<u>26,502</u>

	Share Capital	Capital contribution reserve	Accumulated losses	Total equity
	£'000	£'000	£'000	£'000
Balance at 1 January 2023	95,061	541	(59,667)	35,935
Total comprehensive income for the year	-	-	(10,756)	(10,756)
Issue of share capital	10,000	-	-	10,000
Tax credit recognised in reserves	-	11	14	25
Share-based payment credit	-	273	71	344
Balance at 31 December 2023	<u>105,061</u>	<u>825</u>	<u>(70,338)</u>	<u>35,548</u>

The notes on pages 17 to 40 are an integral part of these financial statements.

STATEMENT OF FINANCIAL POSITION

at 31 December 2024

	Note	2024 £'000	2023 £'000 Restated ¹
Current assets			
Goodwill and intangible assets	12	13,653	17,211
Property, plant and equipment	11	254	973
Trade and other receivables	13	4,234	4,316
Contract assets	19	980	1,138
Current tax assets		4,233	2,747
Cash and cash equivalents	14	9,902	18,651
		33,256	45,036
Current liabilities			
Lease liabilities	16	162	657
Deferred tax liabilities	17	796	1,885
Accruals	15	2,573	2,379
Amounts owed to group undertakings	15	1,700	3,439
Other payables	15	641	450
Provisions	18	882	678
		6,754	9,488
Net assets		26,502	35,548
Equity			
Share capital	20	105,061	105,061
Capital contribution reserve		1,225	825
Accumulated losses		(79,784)	(70,338)
Total equity attributable to equity holder		26,502	35,548
Total equity and liabilities		33,732	45,303

¹In the 2023 financial statements, the deferred tax asset of £267k and the deferred tax liability of £2,152k were presented on a gross basis on separate lines in the statement of financial position. In the 2024 financial statements, the deferred tax asset and liability have been netted off in accordance with IAS 12. The 2023 figures have been re-presented on a net basis to ensure comparability.

The financial statements on pages 14 to 16 were authorised and approved by the Board of Directors on 4th June 2025 and signed on its behalf by:



P P Barnacle
Director

Company registered number: 06201261

The notes on pages 17 to 40 are an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2024

1 GENERAL INFORMATION

Quilter Private Client Advisers Limited ("the Company") is a private company limited by shares incorporated in England and Wales and domiciled in the UK. The principal activities of the Company are disclosed in the strategic report on page 3. The Company ceased to trade on 22nd April 2025.

The address of its registered office is disclosed in the Company information section on page 2.

2 BASIS OF PREPARATION

The financial statements of Quilter Private Client Advisers Limited for the year ended 31 December 2024 have been prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law) ("**FRS 101**"). These financial statements have been prepared on a historical cost basis, except for the revaluation of certain financial instruments, and are presented in thousands and pounds sterling, which is the currency of the primary economic environment in which the Company operates.

The preparation of financial statements in conformity with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in Note 3.

The Company has taken advantage of the disclosure exemptions available under FRS 101 in relation to the presentation of a cash flow statement, disclosures relating to capital management, contracts with customers, related party transactions, share-based payments, share capital and comparative information for certain types of assets. The Company has also taken advantage of the exemption from the requirement to disclose information when the Company has not applied a new accounting standard that has been issued but is not yet effective. Where required, equivalent disclosures are included in the consolidated financial statements of Quilter plc.

Preparation of separate financial statements

The Company is exempt, by virtue of section 400 of the Companies Act 2006, from the requirement to prepare consolidated financial statements.

These financial statements are separate financial statements.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2024

2 BASIS OF PREPARATION (continued)

Financial statements prepared on a basis other than going concern

On the basis that the Company has ceased to trade post year-end and will be liquidated in due course, the financial statements have been prepared on a basis other than going concern. Accordingly, balances previously due in more than one year have been reclassified as current. No liability has been recognised for restructuring or closure costs as there was no present obligation as at 31 December 2024. The comparative financial statements continue to be prepared on a going concern basis. Accounting policies have been applied consistently throughout the year and have been amended to reflect the basis other than going concern when relevant. No other adjustments were required as a result of preparing the financial statements on a basis other than going concern.

Liquidity analysis of the statement of financial position

The Company's statement of financial position is in order of liquidity as is permitted by IAS 1 Presentation of Financial Statements. Each asset in liability is presented as current on the basis the financial statements are on a basis other than going concern.

New standards, amendments to standards, and interpretations adopted by the Company

Pillar II Disclosures

The Company has applied the narrow scope amendment to IAS12 in respect of the OECD Pillar II international tax rules issued in the current period. In doing so, the Company has applied the exception in IAS12.4A and shall neither recognise nor disclose information about deferred tax assets and liabilities related to Pillar II income taxes.

There are no other amendments to accounting standards, or International Financial Reporting Interpretations Committee ("IFRIC") interpretations that are effective for the year ended 31 December 2024 that have a material impact on the Company's financial statements.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2024

3 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of financial statements requires management to exercise judgement in applying the Company's significant accounting policies and make estimates and assumptions that affect the reported amounts of net assets and liabilities at the date of the financial statements. Management reviews these areas of judgement and estimates and the appropriateness of significant accounting policies adopted in the preparation of these financial statements.

Critical accounting estimates

The Company's critical accounting estimates are shown below and involve the most complex or subjective assessments and assumptions, which have a significant risk of resulting in material adjustment to the net carrying amounts of assets and liabilities within the next financial year. Management uses its knowledge of current facts and circumstances and applies estimation and assumption setting techniques that are aligned with relevant accounting standards and guidance to make predictions about future actions and events. Actual results may differ from those estimates.

Area	Critical accounting estimates	Notes
Impairment of Goodwill and Intangible Assets	In assessing whether an impairment provision should be recognised, the Company evaluates the likelihood of the carrying value of the investment being lower than the recoverable amount, using the approved business plan, at each reporting date. Intangible assets and goodwill are also assessed for impairment whenever there is an indication that they may be impaired. Sensitivity analysis has been completed and further commentary can be found within note 12.	12

Critical accounting judgements

The Company's critical accounting judgements are shown below and are those that management makes when applying its material accounting policies that have the greatest effect on the profit after tax and net assets recognised in the financial statements.

Area	Critical accounting judgements	Notes
Contract Assets	Management have applied the following judgements in the calculation of contract assets: 1. Contract assets will only be calculated for retail investment business. Other classes of business require further conditions to be met after the provision of advice (e.g acceptance of risk by insurers on protection business). Therefore, for these other classes of business, the uncertainty over whether advice will result in income is sufficiently high that a contract asset cannot be recognised at the point of providing advice. 2. The calculation of the contract asset does not need to include any factor for the time value of money. This is because any contract asset is expected to be received within months of the year end	19
Held for sale	Management have considered whether the assets and liabilities of the Company were held for sale at the reporting date. However, it was felt that the disposal group was not 'available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such assets' and therefore should not be accounted for on this basis.	

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2024

4 MATERIAL ACCOUNTING POLICIES

The Company's material accounting policies are described below. There have been no changes to the Company's material accounting policies as a result of changes in accounting standards during the year.

Revenue

Revenue comprises fee income and other income from service activities, which represent the fair value of services provided, net of value added tax, as well as amounts recharged to other Group undertakings during the year. Revenue is only recognised to the extent that management is satisfied that it is highly probable that no significant reversal of the revenue recognised will be required when uncertainties are resolved. In circumstances where refunds are expected on a portion of the income, including indemnity commission on policies sold, an estimate of the reduction of revenue is made and charged to the statement of comprehensive income at the point of sale, based upon assumptions determined from historical experience. Accordingly, fee income is recognised when advice has been provided and the advisers' obligations have been fulfilled.

Interest income

Interest income represents total interest income for financial assets and financial liabilities that are not carried at fair value. Interest is received on firm bank accounts and money market funds.

Operating and administrative Expenses

Operating and administrative expenses represents running costs of the business and a proportion of overheads cross charged from the head office company Quilter Business Services Limited.

Financial instruments

Financial instruments cover a wide range of financial assets, including trade and other receivables and cash and cash equivalents and certain financial liabilities, including other payables. Financial assets and financial liabilities are recognised in the Company's statement of financial position when the Company becomes party to the contractual provisions of the instrument. The Company derecognises a financial asset when the contractual rights to receive cash flows have expired or been forfeited by the Company. A financial liability is derecognised when the liability is extinguished.

The Company assesses the objective of a business model in which an asset is held at a portfolio level because this best represents the way the business is managed and information is reported to management. The assessment considers the stated portfolio policies and objectives. The Company determines its strategy in holding the financial asset, particularly considering whether the Company earns contractual interest revenue, for example to match the duration of financial assets to the duration of liabilities that are funding those assets or to realise cash flows through the sale of the assets. The frequency, volume and timing of sales in prior periods may be reviewed, along with the reasons for such sales and expectations about future sales activity. These factors enable management to determine which financial assets should be measured at fair value through profit or loss ("FVTPL").

Initial measurement

A financial asset (unless it is a trade receivable without a significant financing component that is initially measured at the transaction price) is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition.

Subsequent measurement

The classification of financial assets depends on (i) the purpose for which they were acquired, (ii) the business model in which a financial asset is managed, and (iii) its contractual cash flow characteristics. Two categories are applicable to the Company's financial assets: FVTPL and amortised cost. This classification determines the subsequent measurement basis. The following accounting policies apply to the subsequent measurement of financial assets.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2024

4 MATERIAL ACCOUNTING POLICIES (continued)

Measurement basis	Accounting policies
Financial assets at FVTPL	These financial assets are subsequently measured at fair value. Net gains and losses, including interest and dividend income, are recognised in profit or loss.
Amortised cost	These financial assets are subsequently measured at amortised cost using the effective interest rate method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on de-recognition is recognised in profit or loss.

Fair value measurement

The Company uses fair value to measure a number of its assets and liabilities. Fair value is a market-based measure and 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. For a financial instrument, the best evidence of fair value at initial recognition is normally the transaction price, which represents the fair value of the consideration given or received.

Where observable market prices in an active market, such as bid or offer (ask) prices are unavailable, fair value is measured using valuation techniques based on the assumptions that market participants would use when pricing the asset or liability. If an asset or a liability measured at fair value has a bid or an offer price, the price within the bid-offer spread that is most representative of fair value is used as the basis of the fair value measurement.

The quality of the fair value measurement for financial instruments is disclosed by way of the fair value hierarchy, whereby Level 1 represents a quoted market price for identical financial assets and liabilities, Level 2 financial assets and liabilities are valued using inputs other than quoted prices in active markets included in Level 1, either directly or indirectly and Level 3 whereby financial assets and liabilities are valued using valuation techniques where one or more significant inputs are unobservable.

Amortised cost

A financial asset is measured at amortised cost if it meets both of the following conditions and unless recognised as FVTPL on initial recognition applying the Fair Value Option (see below):

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates.

For the purposes of this assessment, principal is defined as the fair value of the financial asset on initial recognition. Interest is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as profit margin.

All other financial assets that are not measured at amortised cost are classified and measured at FVTPL.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances, call deposits, money market collective investment funds and other short-term deposits with an original maturity of three months or less.

Cash and cash equivalents held within money market collective investment funds are classified as FVTPL. All other cash and cash equivalents are classified as amortised cost which means they are initially recognised at fair value and subsequently carried at amortised cost using the effective interest method and are subject to the impairment requirements outlined below. The carrying amount of cash and cash equivalents, other than money market collective investment funds which are measured at fair value, approximates to their fair value.

Financial liabilities and equity

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. Financial liabilities are measured at amortised cost using the effective interest method.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2024

4 MATERIAL ACCOUNTING POLICIES (continued)

Trade receivables

Trade receivables are classified at amortised cost. Due to their short-term nature, their carrying amount is considered to be the same as their fair value.

Impairment of financial assets

The expected loss accounting model for credit losses applies to financial assets measured at amortised cost, but not to financial assets at FVTPL. Financial assets at amortised cost include trade receivables, cash and cash equivalents (excluding money market collective investment funds which are measured at fair value), fixed term deposits and loans and advances. Credit loss allowances are measured on each reporting date according to a three-stage expected credit loss ("ECL") impairment model:

Performing financial assets:

Stage 1

From initial recognition of a financial asset to the date on which an asset has experienced a significant increase in credit risk relative to its initial recognition, a stage 1 loss allowance is recognised equal to the credit losses expected to result from its default occurring over the earlier of the next 12 months or its maturity date ("12-month ECL").

Stage 2

Following a significant increase in credit risk relative to the initial recognition of the financial asset, a stage 2 loss allowance is recognised equal to the credit losses expected from all possible default events over the remaining lifetime of the asset ("Lifetime ECL").

The assessment of whether there has been a significant increase in credit risk requires considerable judgement, based on the lifetime probability of default ("PD"). Stage 1 and 2 allowances are held against performing loans; the main difference between stage 1 and stage 2 allowances is the time horizon. Stage 1 allowances are estimated using the PD with a maximum period of 12 months, while stage 2 allowances are estimated using the PD over the remaining lifetime of the asset.

Impaired financial assets:

Stage 3

When a financial asset is considered to be credit-impaired, the allowance for credit losses ("ACL") continues to represent lifetime expected credit losses. However, interest income is calculated based on the amortised cost of the asset, net of the loss allowance, rather than its gross carrying amount.

Application of the impairment model

The Company applies the ECL model to all financial assets that are measured at amortised cost:

- Trade receivables, to which the simplified approach prescribed by IFRS 9 is applied. This approach requires the recognition of a Lifetime ECL allowance on day one and thereafter.
- Cash and cash equivalents, and fixed term deposits at amortised cost, to which the general three-stage model (described above) is applied, whereby a 12 month ECL is recognised initially and the balance is monitored for significant increases in credit risk which triggers the recognition of a Lifetime ECL allowance.

ECLs are probability-weighted estimates of credit losses. ECLs for financial assets that are not credit-impaired at the reporting date are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due in accordance with the contract and the cash flows that the Company expects to receive). ECLs for financial assets that are credit-impaired at the reporting date are measured as the difference between the gross carrying amount and the present value of estimated future cash flows. ECLs are discounted at the effective interest rate of the financial asset. The maximum period considered when estimating ECLs is the maximum contractual period over which the Company is exposed to credit risk.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2024

4 MATERIAL ACCOUNTING POLICIES (continued)

The measurement of ECLs considers information about past events and current conditions, as well as supportable information about future events and economic conditions. The Company has implemented its impairment methodology for estimating the ACL, taking into account forward-looking information in determining the appropriate level of allowance. In addition, it has identified indicators and set up procedures for monitoring for significant increases in credit risk.

Credit-impaired financial assets

At each reporting date, the Company assesses whether financial assets carried at amortised cost are credit impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Evidence that a financial asset is credit-impaired includes events such as significant financial difficulty of the borrower or issuer, a breach of contract such as a default or past due event or the restructuring of a loan or advance by the Company on terms that the Company would not otherwise consider. The assumption that the credit risk for balances over 30 days significantly increases has been rebutted on the basis that some balances will exceed 30 days in the normal course of the settlement cycle, and therefore, there is no increase in the credit risk.

Presentation of impairment

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Write-offs

Loans and debt securities are written off (either partially or in full) when there is no realistic prospect of the amount being recovered. This is generally the case when the Company concludes that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off.

Contract assets

Contract assets are classified as non-financial instruments. Due to their short-term nature, their carrying amount is considered to be the same as their fair value.

The expected loss accounting model for credit losses applies to contract assets. The Company applies the ECL model to contract assets, which are measured at amortised cost. The simplified approach prescribed by IFRS 9 is applied to contract assets. This approach requires the recognition of a Lifetime ECL allowance on day one and thereafter.

Lease liabilities

Under IFRS 16, the Company assesses whether a contract is or contains a lease at inception of the contract. A contract is or contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess where a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- the contract involves the use of an identified asset which may be specified explicitly or implicitly and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;
- the Company has the right to obtain substantially all of the economic benefits from the use of the asset throughout the period of use; and
- the Company has the right to direct the use of the asset.

For lessee contracts, the right-of-use asset is initially measured at cost, which comprises the initial amount of lease liability, adjusted for any lease payments made at or before the commencement date, and any initial direct costs incurred. Adjustments are also made, where appropriate, to recognise provisions for property restoration costs and lease incentives received such as rent-free periods. The lease liability is initially measured at the present value of the lease payments that are unpaid at the commencement date, discounted using the asset-specific incremental borrowing rates.

Subsequent to lease commencement, the Company measures the right-of-use asset using a cost model, whereby the asset is held at cost less accumulated depreciation and any accumulated impairment. Depreciation is charged to the statement of comprehensive income on a straight-line basis to write down the cost of the right-of-use asset to its residual value over its estimated useful life which is dependent on the length of the lease. In addition, the carrying amount of the right-of-use asset

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2024

4 MATERIAL ACCOUNTING POLICIES (continued)

may be adjusted for certain remeasurements of the lease liability. The lease liability is subsequently measured at amortised cost using the effective interest method and also reflects any lease modifications or reassessments.

The Company presents its right-of-use assets within "Property, plant and equipment" and lease liabilities within "Lease liabilities" in the statement of financial position.

Current tax

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date and any adjustment to income tax payable in respect of previous years. Current tax is charged or credited to the statement of comprehensive income, except when it relates to items recognised directly in equity or in other comprehensive income.

Deferred tax

Deferred taxes are calculated according to the statement of financial position method, based on temporary differences between the tax base of assets and liabilities and their carrying amounts in the financial statements. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences can be utilised.

Deferred tax is charged or credited to the statement of comprehensive income, except when it relates to items recognised directly in equity or in other comprehensive income. In certain circumstances, as permitted by accounting standards, deferred tax balances are not recognised. In particular, where the liability relates to the initial recognition of goodwill, or transactions that are not a business combination and at the time of their occurrence affect neither accounting nor taxable profit. Note 17 includes further detail of circumstances in which the Company does not recognise temporary differences.

Goodwill

Goodwill acquired as part of a business combination is disclosed within the carrying value of the intangible asset that was acquired. This reflects the similar nature of these assets. Goodwill is recognised at cost as at the acquisition date and is subsequently measured at cost less any accumulated impairment losses. Goodwill is not amortised as its useful economic life is deemed to be greater than 20 years, but it is subject to annual impairment review.

The annual impairment review of goodwill is carried out on goodwill and intangible assets acquired as part of a business combination. This reflects both of these assets being related to business combinations. Any impairment identified as part of the review is first set against the carrying value of goodwill and then against the intangible asset.

Intangible assets

Intangible assets include intangible assets initially recognised as part of a business combination, purchased assets and internally generated assets, such as software development costs related to amounts recognised for in-house systems development.

Intangible assets acquired as part of a business combination

Intangible assets acquired as part of a business combination are recognised where they are separately identifiable and can be measured reliably. Acquired intangible assets consist primarily of contractual relationships such as distribution channels. Such items are capitalised at their fair value, represented by the estimated net present value of the future cash flows from the relevant relationships acquired at the date of acquisition.

Subsequent to initial recognition, acquired intangible assets are measured at cost less amortisation and any recognised impairment losses. Amortisation is recognised at rates calculated to write off the cost or valuation less estimated residual value, using a straight-line method over their estimated useful lives as set out below:

- Distribution channels 8 years

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2024

4 MATERIAL ACCOUNTING POLICIES (continued)

The economic lives are determined by considering relevant factors such as usage of the asset, product life cycles, potential obsolescence, competitive position and stability of the industry. The amortisation period is re-evaluated at the end of each financial year end.

Subsequent expenditure

Subsequent expenditure on intangible assets is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is expensed as incurred.

Impairment testing for intangible assets

For intangible assets with finite lives, impairment charges are recognised where evidence of impairment is observed. Indicators of impairment can be based on external factors, such as significant adverse changes to the asset as part of the overall business environment and internal factors, such as worse than expected performance reflected in the Company's three-year Business Plan. If an indication of impairment exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

The recoverable amount is calculated as the higher of fair value less costs to sell and value in use. If the recoverable amount of an intangible asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised as an expense in the statement of comprehensive income immediately, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease. Where an intangible asset is not yet available for use it is subject to an annual impairment test by comparing the carrying value with the recoverable amount. The recoverable amount is estimated by considering the ability of the asset to generate sufficient future economic benefits to recover the carrying value.

Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is more probable than not that an outflow of economic benefits will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made. Provisions are measured at management's best estimate of the expenditure required to settle the obligation at the reporting date. Where the effect of the time value of money is material, provisions are discounted and represent the present value of the expected expenditure. Provisions are not recognised for future operating costs or losses.

The Company recognises specific provisions where they arise for the situations outlined below:

- Client compensation and related costs, when the Company compensates clients in the context of providing fair customer outcomes.
- Onerous contracts, when the expected benefits to be derived by the Company from a contract are lower than the unavoidable cost of meeting the obligations under the contract.
- Corporate restructuring, only if the Company has approved a detailed formal plan and raised a valid expectation among those parties directly affected, that the plan will be carried out either by having commenced implementation or by publicly announcing the plan's main features. Such provisions include the direct expenditure arising from the restructuring, such as employee termination payments but not those costs associated with the ongoing activities of the Company.
- Legal uncertainties and the settlement of other claims.
- Property provisions, where the Company has an obligation to restore a property to its original condition at the end of the lease.

Contingent liabilities are possible obligations of the Company of which the timing and amount are subject to significant uncertainty. Contingent liabilities are not recognised in the statement of financial position, unless they are assumed by the Company as part of a business combination. They are however disclosed, unless they are considered to be remote. If a contingent liability becomes probable and the amount can be reliably measured it is no longer treated as contingent and recognised as a liability.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2024

4 MATERIAL ACCOUNTING POLICIES (continued)

Contingent assets, which are possible benefits to the Company, are only disclosed if it is probable that the Company will receive the benefit. If such a benefit becomes virtually certain, it is no longer considered contingent and is recognised on the statement of financial position as an asset.

Property, plant and equipment

Other property and equipment are stated at cost less accumulated depreciation and accumulated impairment in value. Fixtures and fittings are depreciated on a straight-line basis over their useful economic life which in all cases is three years.

Assets associated with short leaseholds are stated at cost less accumulated depreciation and accumulated impairment in value. Assets associated with short leaseholds are depreciated on a straight-line basis over the period of the lease up to a maximum of five years.

Depreciation and impairment losses are recognised in the statement of comprehensive income within administrative expenses. Impairment reviews take place when events or changes in circumstances indicate that the carrying value may not be recoverable. An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the derecognition of the asset is included in the statement of comprehensive income in the period of derecognition.

5 RISK MANAGEMENT FRAMEWORK

Risk Management framework

The Risk Management framework is defined by Quilter plc and has been adopted by the Company. The framework comprises core components such as:

- The corporate governance arrangements which set out the way that the organisation is structured and managed;
- the end-to-end processes involved in the identification, measurement, assessment, management and monitoring of risk including assignment of risk owners and risk reporting;
- The culture and behaviour that is exhibited and the associated reward mechanisms.

The framework aims to align strategy, capital, processes, people, technology and knowledge in order to evaluate and manage business opportunities, uncertainties and threats in a structured, disciplined manner. In this way, Quilter seeks to ensure that risk and capital implications are considered when making strategic and operational decisions, and to ensure that the risk profile is understood and managed within the agreed risk appetite.

Risk appetite

Risk appetite statements have been refreshed for the material risks that Quilter faces, which define the amount of risk the Board is willing to take in the pursuit of our strategic priorities. This risk appetite approach is applied consistently across Quilter, with Level 1 statements being supported by a series of more granular risk appetite statements and measures at Level 2. Quilter's position against risk appetite is measured on a regular basis through the monitoring of underlying key indicators and management information reported to the Board. The Board expects management to maintain controls to ensure that risk exposures remain within appetite, or where indicators show Quilter is outside of risk appetite, to put in place actions to reduce exposure to acceptable levels.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2024

5 RISK MANAGEMENT FRAMEWORK (continued)

Credit and counterparty risk

Credit and counterparty risk is the risk that the Company is exposed to a loss if another party fails to meet its financial obligations, including failing to meet them in a timely manner. The Group has established a credit risk policy which sets out restrictions on the permitted financial transactions with counterparties to control and monitor the level of credit risk to which the Company is exposed.

The Company is exposed to limited credit risk. The credit risk on liquid funds is limited because the counterparties are banks with high credit ratings assigned by international credit rating agencies.

The Company's maximum exposure to credit risk does not differ from the carrying value disclosed in the relevant notes to the financial statements.

Credit risk primarily arises from cash held at bank and other receivables, which are all current. The principal amounts receivable on these balances are materially the same as fair value and as such credit risk has not had a significant impact on the valuation of these balances.

Operational risk

Operational risk is the risk that failure of people, processes, systems or external events results in financial loss, damage to brand / reputation or adverse regulatory intervention or government or regulatory fine. It includes all risks resulting from operational activities, excluding the risks already described above and excluding strategic risks and risks resulting from being part of a wider group of companies.

Operational risk includes the effects of failure of the administration processes, IT maintenance and development processes, investment processes, product development and management processes, legal risks (e.g. risk of inadequate legal contract with third parties), risks relating to the relationship with third party suppliers, and the consequences of financial crime and business interruption events.

In accordance with Group policies, management have primary responsibility for the identification, assessment, management and monitoring of risks, and the escalation and reporting on issues to executive management.

The Company's executive management have responsibility for implementing the Group Operational Risk management methodologies and frameworks and for the development and implementation of action plans to manage risk levels within acceptable tolerances and to resolve issues thus identified.

6 TOTAL INCOME

Revenue is fee income and other income from service activities represents income receivable on advice provided by financial advisers and is derived from discontinued operations in the United Kingdom.

Interest income represents interest received on cash balances.

Other income represents gains from the disposal of property, plant, and equipment and associated liabilities.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2024

7 ADMINISTRATIVE EXPENSES

Administrative expenses include:

	2024	2023
	£'000	£'000
Auditors' remuneration	83	79
Other admin expenses	1,230	1,240
Depreciation on property, plant and equipment	314	366
Management fees paid to fellow group undertakings	7,313	6,999
Amortisation of intangible assets	3,558	3,784
Communications and IT	1,215	1,173
Premises costs	489	442
Staff costs	19,318	19,042
Total administrative expenses	33,520	33,125

Administrative expenses include £7,313k (2023: £6,999k) relating to recharges to the Company by Quilter Business Services Limited. These recharges include payment of Director and senior manager remuneration.

Auditors' remuneration for audit services consists of fees in respect of the statutory audit. There are no non-audit fees (2023: £nil).

The average number of persons employed by the company during the year was 234 (2023: 235).

Staff costs and other employee-related costs	2024	2023
	£'000	£'000
Total wages and salaries		
Wages and salaries	11,834	11,851
Bonus & incentive costs	3,934	3,780
Share-based payments - Equity Settled	481	424
Social security costs	1,843	1,776
Other pension costs	1,226	1,211
Total staff costs	19,318	19,042

8 REMUNERATION OF KEY MANAGEMENT PERSONNEL

Key management personnel are defined as those having authority and responsibility for planning, directing and controlling the activities of the entity and as such, only directors are considered to meet this definition.

The Directors' remuneration was paid by other group entities.

The table below does not include 2 directors as their services provided to the company are deemed incidental to their wider role in the group.

Directors' remuneration was as follows:

	2024	2023
	£'000	£'000
Aggregate Directors' emoluments		
Aggregate emoluments	496	440
Amounts received under long-term incentive schemes	211	201
Company contributions to pension schemes	10	9
	717	650

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2024

8 REMUNERATION OF KEY MANAGEMENT PERSONNEL (continued)	2024	2023
	£'000	£'000
Emoluments of highest paid Director		
Aggregate emoluments	496	440
Amounts received under long-term incentive schemes	211	201
Company contributions to pension schemes	10	9
	<u>717</u>	<u>650</u>

Three Directors received or were due to receive shares or share options under a long-term incentive scheme (2023: three).

Three Directors exercised options during the year (2023: three). The highest paid Director did exercise share options during the year.

During the year there was no compensation for loss of office paid to Directors (2023: £nil); this includes the estimated money value of the following benefits: payment in lieu of notice, loss of participation in the SAYE scheme, pay-out of contractual long term incentive, pension contributions, bonus and statutory redundancy.

9 FINANCE COSTS

This note analyses the interest costs on our borrowings and similar charges, all of which are valued at amortised cost.

Finance costs comprise:

	2024	2023
	£'000	£'000
Interest charge on lease liabilities	12	24
	<u>12</u>	<u>24</u>

10 TAXATION

	2024	2023
	£'000	£'000
Current tax credit		
UK corporation tax	(2,227)	(2,154)
Charge to equity	-	14
Adjustments to current tax in respect of prior periods	(27)	(67)
Total current tax credit	<u>(2,254)</u>	<u>(2,207)</u>
Deferred tax		
Origination and reversal of temporary differences	(929)	(993)
Effect on deferred tax of changes in tax rates	-	(7)
Adjustments to deferred tax in respect of prior periods	(39)	496
Total deferred tax credit	<u>(968)</u>	<u>(504)</u>
Total tax credited to the income statement	(3,222)	(2,711)

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2024

10 TAXATION (continued)

Reconciliation of total income tax expense

The income tax credited to loss differs from the amount that would apply if all of the Company's losses had been taxed at the UK standard corporation tax rate. The difference in the effective rate is explained below:

	2024	2023
	£'000	£'000
(Loss) before income tax	(12,870)	(13,467)
Corporation tax (credit) at 25% (2023: 23.5%)	(3,218)	(3,165)
Impact on tax of:		
Non deductible share based payment (reversal)	(23)	12
Expenses not deductible for tax purposes	85	20
Adjustments to current tax in respect of prior periods	(27)	(67)
Effect on deferred tax of changes in tax rates	-	(7)
Adjustments to deferred tax in respect of prior periods	(39)	496
Total income tax (credit) in the income statement	<u>(3,222)</u>	<u>(2,711)</u>

Pillar II Taxes

Pillar II legislation has been substantively enacted in the UK, introducing a Pillar II minimum effective tax rate of 15%. The legislation implements a Multinational Top-up Tax ("MTT") and a Domestic Top-up Tax ("DTT"), effective for the Company's financial year beginning 1 January 2024. The Group has applied the exemption under IAS 12.4A and accordingly will not recognise or disclose information about deferred tax assets and liabilities related to Pillar II income taxes.

The assessment of the exposure to Pillar II income taxes has shown that the Company is not subject to a top up tax as the Group's UK Pillar II effective tax rate is above 15%.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2024

11 PROPERTY, PLANT AND EQUIPMENT

	Right-of-use assets £'000	Leasehold improvements £'000	Total £'000
Cost			
At 31 December 2023	2,243	315	2,558
Additions	-	-	-
Disposals	(883)	(21)	(904)
Transfer/reclassification	-	(102)	(102)
Reclassification between cost and depreciation	-	-	-
At 31 December 2024	1,360	192	1,552
Accumulated depreciation			
At 31 December 2023	1,504	81	1,585
Disposals	(547)	(54)	(601)
Charge for the year	218	96	314
Reclassification between cost and depreciation	-	-	-
At 31 December 2024	1,175	123	1,298
Carrying amount			
At 31 December 2023	739	234	973
At 31 December 2024	184	70	254

The carrying value of the right-of-use assets at 31 December 2024 relate to £184k of property leases (2023: £739k).

Leasehold improvements transferred represents leasehold improvements previously held under Quilter Financial Planning Limited ("**QFP**") which were transferred to the Company during 2023.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2024

12 GOODWILL AND INTANGIBLE ASSETS

Analysis of goodwill and intangible assets

The table below shows the movements in cost and amortisation of goodwill and intangible assets.

	Goodwill	Intangible	Total
	£'000	assets	£'000
		£'000	£'000
Cost			
At 31 December 2023	8,603	30,620	39,223
Impairments	-	-	-
At 31 December 2024	<u>8,603</u>	<u>30,620</u>	<u>39,223</u>
Accumulated amortisation and impairment			
At 31 December 2023	-	22,012	22,012
Amortisation	-	3,558	3,558
At 31 December 2024	<u>-</u>	<u>25,570</u>	<u>25,570</u>
Carrying amount			
At 31 December 2023	8,603	8,608	17,211
At 31 December 2024	<u>8,603</u>	<u>5,050</u>	<u>13,653</u>

Intangible assets are amortised over 8 years on a straight-line basis and relate to the Company's acquisition of advice businesses.

Annual impairment test

In accordance with the requirements of IAS 36 Impairment of Assets, an entity shall assess at the end of each reporting period whether there is any indication that an asset may be impaired. If any such indication exists, the entity shall estimate the recoverable amount of the asset. The carrying amounts of the Company's intangible assets are compared with the recoverable value, being the higher of the value-in-use ("VIU") and its fair value ("FV") less costs to sell. If applicable, an impairment charge is recognised in the statement of comprehensive income when the recoverable amount is lower than the carrying value.

Fair value

Fair value was calculated as 2.75% of assets under management (being expected proceeds on sale of customer books based on comparable external acquisitions), less disposal costs calculated at 3.5% of those proceeds.

An impairment review on the Company's goodwill and intangible assets was carried out and found that no impairment was required (2023: nil).

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2024

13 TRADE AND OTHER RECEIVABLES

	2024	2023
	£'000	£'000
Prepayments and accrued income	88	84
Amounts due from Group undertakings	2,730	2,907
Trade receivables	1,416	1,325
	<u>4,234</u>	<u>4,316</u>

Trade receivables primarily stem from pipeline revenue representing fee income deducted by Quilter Cheviot Limited or Quilter Investment Platform Limited but not yet paid to the Company. The value of this for 2024 is £1,416k (2023: £1,325k).

All amounts due from Group undertakings are short-term and interest-free with the carrying amount approximating to fair value and are subject to the 12-month ECL model. There have been no non-performing receivables or material impairments in the financial year that require disclosure. None of the receivables reflected above have been subject to the renegotiation of terms. All other receivables are also current, short term and interest free and are carrying at fair value.

14 CASH AND CASH EQUIVALENTS

	2024	2023
	£'000	£'000
Cash at bank	1,002	18,651
Money market funds	8,900	-
Total cash and cash equivalents	<u>9,902</u>	<u>18,651</u>

Management do not consider that there are any material amounts of cash and cash equivalents which are not available for use in the Group's day-to-day operations.

Cash held at bank and on deposit is held with A rated counterparties and is subject to the 12-month ECL model.

Cash held in money market funds are held with AAA rated counterparties and are classified as financial investments designated at fair value through the profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2024

15 ACCRUALS AND OTHER PAYABLES

	2024	2023
	£'000	£'000
Amounts due to group undertakings	1,700	3,439
Accruals	2,573	2,379
Other payables	641	450
Total	<u>4,914</u>	<u>6,268</u>

Amounts due to other Group undertakings are unsecured, interest free and repayable on demand.

Other amounts payable mainly relate to payroll creditors and tax creditors.

16 LEASE LIABILITIES

	2024	2023
	£'000	£'000
Lease liabilities at lessee's incremental borrowing rate (2.41%) (2023: 2.41% - 2.47%)		
Opening balance at 1 January	657	1,105
Disposal	(307)	(234)
Finance interest charge for the year	12	24
Payment of lease liability	(200)	(238)
Closing balance at 31 December	<u>162</u>	<u>657</u>
Lease liability to be settled within 12 months	162	198
Lease liability to be settled after 12 months	-	459
Total discounted lease liability at 31 December	<u>162</u>	<u>657</u>
Maturity analysis - contractual undiscounted cash flows		
Less than one year	164	212
One to five years	-	356
More than five years	-	132
Total undiscounted lease liability at 31 December	<u>164</u>	<u>700</u>

Lease Liabilities

Lease liabilities represent the obligation to pay lease rentals as required by IFRS16 and are categorized as financial liabilities at amortised cost.

Lease disposals represented the novation of the Chester lease to Quilter Business Services Limited during the year.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2024

17 DEFERRED TAX

Recognised deferred tax assets and liabilities

Deferred income taxes are calculated on all temporary differences at the tax rate applicable to the jurisdiction in which the timing differences arise.

The following are the deferred tax balances recognised by the company and the movements thereon, during the current and prior reporting period.

	Tax losses £'000	Accelerated Depreciation £'000	Share based payments £'000	Other acquired intangibles £'000	Operating leases and Other £'000	Total £'000
(Liabilities) at 1 January 2023	347	3	99	(2,877)	28	(2,400)
Income statement credit	(347)	14	81	725	32	505
Equity charge	0	-	10	-	-	10
(Liabilities) at 1 January 2024	0	17	190	(2,152)	60	(1,885)
Income statement (charge)/credit	-	(26)	114	889	(10)	968
Equity credit	-	-	120	-	-	120
(Liabilities) at 31 December 2024	0	(9)	424	(1,263)	50	(796)

Deferred tax assets or liabilities are recognised to the extent that temporary differences are expected to reverse in the foreseeable future. The timing of reversals are estimated based on the company's annual business plan. Deferred tax assets are recognised to the extent that they are supported by the company's business plan or where appropriate the group's business plan.

Unrecognised deferred tax assets

The amounts for which no deferred tax asset has been recognised comprises:

	31 December 2024		31 December 2023	
	Gross Amount £'000	Tax £'000	Gross Amount £'000	Tax £'000
Pre April 2017 UK Tax Losses	4,900	1,225	4,900	1,225
Total unrecognised deferred tax asset	4,900	1,225	4,900	1,225

A deferred tax asset has not been recognised as there is sufficient uncertainty to the extent it is probable there will be future taxable profits to utilise the losses. Unrecognised losses are available to carry forward with no expiry date, subject only to the continuation of the business.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2024

18 PROVISIONS

	Indemnity commission provision £'000	Provision for complaints £'000	Property provision £'000	Other £'000	Total £'000
At 1 January 2023	61	102	415	-	578
Additions	260	-	6	-	266
Utilisation	-	(6)	(160)	-	(166)
Unused amounts reversed	-	-	-	-	-
At 31 December 2023	321	96	261	-	678
Additions	171	-	4	100	275
Unused amounts reversed	-	-	(70)	-	(70)
Utilisation	-	(1)	-	-	(1)
At 31 December 2024	492	95	195	100	882

Indemnity commission provision

Provision is made for repayment of indemnity commission to the product provider in the event that a policy may lapse within the indemnity period. Given the nature of these policies it is uncertain what the number and monetary value will be of any such lapses.

Provision for complaints

Provision is made for expected settlements on open complaints.

Property provision

Property provisions represent the discounted value of expected future costs of reinstating leased property to its original condition at the end of the lease term.

19 CONTRACT ASSETS

	2024 £'000	2023 £'000
Contract assets accrued income opening balance	1,138	1,184
Contract assets accrued income/(cost)	(158)	(46)
Contract assets accrued income closing balance	980	1,138

Contract assets represent fees and commissions earned but not yet received from investment and pension providers.

There was no material revenue recognised in the reporting year from performance obligations satisfied, or partially satisfied, in previous years.

In calculating this figure, management estimates the average level of revenue, for both initial and ongoing business, as the average monthly receipts over the preceding quarter.

The assets amounted to £980,000 (2023: £1,138,000) as at December 2024. A 10% decrease in the expected market value of investments placed or pension transfer values would be expected to decrease the asset value by £98,000.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2024

20 SHARE CAPITAL

The Company's Ordinary Share capital at the end of the year is as follows:

	Number of shares	Nominal value £'000
Ordinary shares of £1 each - allotted and fully paid		
At 1 January 2023	95,061,000	95,061
<i>Movement</i>	10,000,000	10,000
At 31 December 2023	105,061,000	105,061
<i>Movement</i>	-	-
At 31 December 2024	105,061,000	105,061

During 2024, QCHL did not provide a share capital contribution. In 2023, the Company provided a share capital contribution of £10,000k to ensure the Company could continue to meet its allocated capital requirement from the Internal capital adequacy and risk assessment, based on its wind-down cost.

21 INVESTMENT IN SUBSIDIARY UNDERTAKINGS

Directly held

Company name	Registered office	Country of incorporation	Share class	Proportion of shares held	Proportion of voting rights held	Nature of business
Prescient Financial Intelligence Limited (dissolved 6 May 2024)	20 Colmore Circus, Queensway, Birmingham, West Midlands, B4 6AT	United Kingdom	Ordinary	100%	100%	Dormant

Prescient Financial Intelligence Limited was dissolved on 6 May 2024, and therefore the Company has no investments in subsidiaries at the year-end.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2024

22 MAXIMUM EXPOSURE TO CREDIT RISK

The tables below represent the Company's maximum exposure to credit risk. The Company does not have any significant exposure arising from items not recognised on the statement of financial position.

Credit rating relating to financial assets that are neither past due nor impaired

At 31 December 2024	AAA	AA	A	BBB	<BBB	Internally rated	Included through consolidation of funds	Carrying value including held for sale	Less: Amount classified held for sale	Carrying value
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Cash and cash equivalents	-	-	9,902	-	-	-	-	-	-	9,902
Other receivables	-	-	-	-	-	5,214	-	-	-	5,214
	-	-	9,902	-	-	5,214	-	-	-	15,116

Credit rating relating to financial assets that are neither past due nor impaired

At 31 December 2023	AAA	AA	A	BBB	<BBB	Internally rated	Included through consolidation of funds	Carrying value including held for sale	Less: Amount classified held for sale	Carrying value
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Cash and cash equivalents	-	-	18,651	-	-	-	-	-	-	18,651
Other receivables	-	-	-	-	-	5,454	-	-	-	5,454
	-	-	18,651	-	-	5,454	-	-	-	24,105

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2024

23 CAPITAL CONTRIBUTION RELATED TO SHARE-BASED PAYMENTS SCHEMES

During the year ended 31 December 2024, the Company participated in a number of share-based payment arrangements. This note describes the nature of the plans and how the share options and awards are valued.

Measurements and assumptions

The Company operates the following share-based payment schemes with awards over Quilter plc shares which came into force on 25 June 2018: the Quilter plc Performance Share Plan, the Quilter plc Share Reward Plan, the Quilter plc Share Incentive Plan, and the Quilter plc Sharesave Plan.

The Old Mutual Wealth Phantom Share Reward Plan was an award over notional Old Mutual plc shares. This share-based payment scheme was transferred to awards over Quilter plc shares on 25 June 2018 and continues to the original vesting dates.

Scheme	Description of award				Vesting conditions			Performance (measure)
	Restricted shares	Conditional shares	Options	Other	Dividend entitlement ¹	Contractual life (years)	Typical service (years)	
Quilter plc Performance Share Plan - Share Options (Nil cost options)	-	-	✓	-	✓	Up to 10	3	AP EPS CAGR ² and Relative Total Shareholder Return
Quilter plc Performance Share Plan - Conditional Shares	-	✓	-	-	✓	Not less than 3	3	Conduct, Risk & Compliance Underpins
Quilter plc Share Reward Plan	-	✓	-	-	✓	Typically 3	3	-
Quilter plc Sharesave Plan ³	-	-	✓	✓	-	3 ^{1/2} - 5 ^{1/2}	3 & 5	-

¹Participants are entitled to dividend equivalents.

²Adjusted Profit compound annual growth rate ("CAGR").

³The Quilter plc Sharesave Plan is linked to a savings plan.

Options and awards

The weighted average share price at the dates of exercise for options exercised during the year was £1.23.

995,778 options outstanding at 31 December 2024 (2023: 877,713) have an exercise price of £nil for the Quilter plc Performance Share Plan, and between £0.69 and £1.31 for the Quilter plc Sharesave Plan, with a weighted average remaining contractual life of 1.9 years.

As at 31 December 2024, 1,483,050 (2023: 1,158,510) conditional share awards were outstanding.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2024

24 RELATED PARTY TRANSACTIONS

The Company is a wholly owned indirect subsidiary of Quilter plc and, in accordance with the exemption conferred under FRS 101, transactions with fellow wholly owned Group companies are not disclosed separately in these financial statements.

Key management personnel transactions

Remuneration of key management personnel is disclosed in Note 8.

Key management personnel of the Company and members of their close family have undertaken transactions with the Company in the normal course of business.

The products within the Company and Quilter Group are available to all employees of the Company on preferential staff terms, the impact of which is immaterial to the Company's financial statements. During the year ended 31 December 2024, key management personnel and their close family members contributed £9k (2022: £5k) to Company pensions and investments (in both internal and external fund). This is on a pro-rata basis.

25 CONTINGENT LIABILITIES

As disclosed in note 30 of the Quilter plc Annual Report 2024, the Group has recognised a provision for a reasonable estimate of the cost of a potential customer remediation exercise in relation to ongoing advice.

Should the Group make redress payments to customers where the relevant Appointed Representative firm has been unable to demonstrate that the ongoing advice service paid by the client was provided, recompense to the Group can be sought from the relevant Appointed Representative firm, which may include the Company where applicable.

Following the trade of sales and assets to QCL on 22nd April, the Company was ultimately relieved of any liability for financial advice provided before this date, with liabilities assumed by another group entity, Quilter Financial Services Limited.

26 ULTIMATE PARENT COMPANY

The Company's immediate parent company is Quilter Cheviot Holdings Limited, a company registered in England and Wales.

The ultimate parent company, controlling party and the smallest and largest group to consolidate these financial statements is Quilter plc, registered in England and Wales. The consolidated financial statements are available from:

The Company Secretary
Quilter plc
Senator House
85 Queen Victoria Street
London
EC4V 4AB

27 EVENTS AFTER THE REPORTING DATE

On 17th April 2025, a share capital reduction was passed which reduced share capital by £105,061k to £1 ahead of the sale of trade and assets to QCL.

On 22nd April 2025, the trade and assets of the Company were acquired by QCL. The final amount of consideration payable is dependent upon the finalisation of the completion balance sheet and is currently expected to be approximately £23.7 million.

There are no other events that have occurred, between the reporting date and the date when the financial statements have been authorised for issue, that require disclosure.