Registered in England and Wales No. 05495327

Quilter Mortgage Planning Limited

ANNUAL REPORT AND FINANCIAL STATEMENTS

31 December 2024

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COMPANY INFORMATION

Directors	S C Gazard S J Geard
Secretary	Quilter CoSec Services Limited
Independent Auditors	PricewaterhouseCoopers LLP 7 More London Riverside London SE1 2RT
Registered office	Senator House 85 Queen Victoria Street London EC4V 4AB Telephone: 0808 171 2626 Website: www.quilter.com Registered in England and Wales No: 05495327

STRATEGIC REPORT

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

REVIEW OF THE BUSINESS AND PRINCIPAL ACTIVITY

The principal activity of Quilter Mortgage Planning Limited (the **"Company"**) is to provide financial planning advice and related services through a network of intermediaries. The Company is incorporated in England and Wales and domiciled in the United Kingdom (**"UK"**).

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

The Company is part of the Quilter plc Group (the **"Group"** or **"Quilter"**), consisting of Quilter plc and its direct and indirect subsidiaries. Quilter plc's ordinary shares are listed on the London and Johannesburg Stock Exchanges. Quilter plc provides the Company with strategic and governance oversight.

AFFLUENT SEGMENT

The Company forms part of the Affluent segment of the Group. This segment is comprised of Quilter Investment Platform, Quilter Investors and Quilter Financial Planning.

Quilter Investment Platform is a leading investment platform provider of advice-based wealth management products and services in the UK, which serves a largely affluent customer base through advised multi-channel distribution.

Quilter Investors is a leading provider of investment solutions in the UK multi-asset market. It develops and manages investment solutions in the form of funds for the Group and third-party clients. It has several fund ranges which vary in breadth of underlying asset class.

Quilter Financial Planning is a provider of financial planning advice offered through a restricted and independent financial adviser network as well as through a wholly owned national business. It operates across all markets, from wealth management and retirement planning advice through to dealing with property wealth and personal and business protection needs.

QUILTER'S STRATEGY

The Quilter plc 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 four core values (do the right thing, always curious, embrace challenge and stronger together) which aids in achieving Quilter's goals and benefits all of its stakeholders.

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.

QUILTER MORTGAGE PLANNING LIMITED STRATEGY

Quilter Mortgage Planning Limited forms part of the Quilter Financial Planning Group ("**QFP Group**"), a network of 2,351 financial advisers, including 1,440 restricted financial planners, who deliver personalised financial advice tailored to meet specific needs of the customer to deliver positive customer outcomes. The strategic aim of the QFP Group is to provide a market leading customer experience through controlled distribution and a focus upon the delivery of full financial planning within our target markets. The QFP Group is committed to offering a controlled advice proposition that delivers excellent customer outcomes, with a structure which ensures strong leadership and a strategic focus for advisers and clients in different market segments. The QFP Group operates a business model with two core channels, National and Network.

The Company is aligned with the Network channel.

Network Channel

The Network model continues to focus on affluent clients through its model of partnering with third party firms who generate and service their own client base, but still want access to a leading client proposition under a relationship whereby the regulatory control framework and associated responsibilities are robustly managed through the QFP Group. The focus of the Network continues to drive growth in restricted financial planner numbers to broaden the reach and penetration of the solutions offered by the wider Group, where it is in the best interests of the client.

KEY PERFORMANCE INDICATORS

Management evaluates 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 Mortgage Planning Limited	**566**	776
	£'000	£'000
Revenue gross of payments to Appointed Representatives[1]	**61,642**	66,864
Fee income and other income from service activities	**11,696**	13,378
Other operating and administrative expenses	**(4,044)**	(6,748)
Profit before taxation	**7,712**	6,648
Cash and cash equivalents	**1,443**	647
Net assets	**29,005**	20,350

[1] "Revenue gross of payments to Appointed Representatives" is an alternative performance measure of the Company used by management to assess financial performance and is disclosed to provide additional comparability and understanding of the financial results.

Decrease in Fee income can be attributed to the fall in the number of advisers which drive revenue generation, and interest rate pressures in a reducing mortgage market during the year that have an adverse effect on initial and recurring revenue that the Company earns.

Total other operating and administrative expenses of £4.0m compares to a prior year figure of £6.7m. The reduction is a result of decreased complaints costs where provisions are no longer required. In addition, there is a reduction in management charges allocated from Group Companies, the charge for the current year of £3.6m compared to £4.5m for the prior year. This reflects the overall decrease in the cost base being allocated from the Group Companies.

The Company moved from a profit before tax for last year of £6.6m to a profit before tax for this year of £7.7m. The main reason for the increase is a reduction in complaints costs and management charges allocated from Group Companies.

The Company remains well capitalised with good levels of regulatory solvency headroom and a strong financial position.

ALTERNATIVE PERFORMANCE MEASURES (“APMs”)

“Fee income and other income from service activities” is comprised of “Revenue gross of payments to Appointed Representatives” less “Payments to Appointed Representatives”, which are the APMs of the Company used by management to assess our financial performance and are disclosed to provide additional comparability and understanding of the financial results. The APMs are defined below:

Revenue gross of payments to Appointed Representatives – Amounts received or receivable from Product providers of plans, Mortgage and Protection Plan providers, and General Insurance providers where the Company has an agreement with the Provider.

Payments to Appointed Representatives – Amounts paid or payable to Appointed Representatives is determined as the amounts received or receivable from Product Providers less the Company’s retention amount as detailed within the Company’s Agreement with the Appointed Representative.

PRINCIPAL RISKS AND UNCERTAINTIES

The Company manages its risks using Quilter's Risk Management framework, which is designed to provide a qualitative and quantitative approach to the understanding and management of risks. The framework supports the evaluation and management of business opportunities, uncertainties, and threats in a structured and disciplined manner.

The Company’s principal risks and uncertainties are summarised below:

Business strategy and performance:
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 performance over the year. The changes implemented by the new Labour Government in the October 2024 Budget to taxation, spending, borrowing, and fiscal rules are being monitored for their effect on Quilter’s forward strategy.

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 Quilter. The Company’s operations provide services to advisers and, as such, need to be effective and resilient to ensure that good outcomes are delivered and maintained. The Company’s has continued to progress the enhancement of its operational environment and improving resilience across the business.

Technology and security:
A stable, reliable, and up-to-date technology environment underpins the delivery of our services to 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. 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 advisers.

Customer and product proposition:
The Company's purpose is underpinned by having a suite of product propositions which drive good customer outcomes and processes in place to ensure that foreseeable harm is identified and addressed. Delivery of quality advice 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:
The Company is subject to regulation in the UK, provided by the FCA. This includes the Consumer Duty, which sets a high standard of consumer protection in financial services. The Company is subject to conduct and prudential regulation in the UK, provided by the FCA. The Company is also subject to the privacy regulations enforced by the Information Commissioner's Office. The Company faces risks associated with compliance with regulations, changes to regulation or regulatory focus 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: Quilter relies on its talent to deliver service to customers and to progress strategic initiatives. Quilter'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 Quilter's strategy.

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.

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 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.

Cyber Threat: Quilter has 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 Quilter 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 services providers) transfer pensions risk to individuals. Attitudes towards wealth management are shifting, with younger generations being attracted by digital propositions and by funds with greater positive social and environmental impacts. These trends present both opportunities and threats to the Company in the form of changing consumer demands and expectations.

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.

In April 2025, a minimum tariff of 10% was introduced on imports into the US and higher tariffs were introduced on imports to the US from over 50 countries. These tariffs together with reciprocal tariffs raised by other countries have led to increased economic uncertainty and market volatility.

FCA Consumer Duty

The FCA Consumer Duty sets higher and clearer standards of consumer protection across the UK financial services industry and requires firms to put the needs of their customers first. Quilter is committed to treating customers fairly and remains focussed on delivering good outcomes for customers to support them in meeting their lifetime goals.

SECTION 172 STATEMENT

The Company is a wholly owned subsidiary of Quilter plc and therefore operates in line with the strategy 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 the Company supports the Group’s purpose of brighter 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 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, customers, advisers, suppliers and our regulator. 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.

STRATEGIC REPORT (continued)
SECTION 172 STATEMENT (continued)

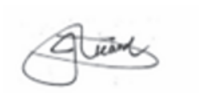
In overseeing the business of the Company during the year, the Board of the Company has paid due regard to its duty to promote the success of the Company for the benefit of Quilter plc, its ultimate parent company, in the long-term, by supporting the delivery of the Group's strategic priorities.

Being part of the Quilter plc Group, the Board is supported by strong and comprehensive management governance which has day to day responsibility for performance, financial and operations, and risk and control matters. The composition of these management committees and forum include the executive directors and other colleagues who hold Senior Manager Responsibility under the SMCR Regime, A key part of the management governance structure is an escalation route to the Boards should matters require specific Board consideration.

The Board is committed to ensuring good client outcomes. During the year, the Board conducted a Consumer Duty Annual Board Assessment to ensure the Company was delivering good outcomes for customers. Various groups, including forums, committees, internal functions, third-party consultants, and Quilter plc's Consumer Duty Champion, were involved. Feedback showed the Board understood the Duty and had taken appropriate steps to implement its requirements. The Assessment met regulatory expectations and demonstrated compliance in strategy, culture, and customer outcomes. The Board continues to drive continuous improvements for customers.

The importance of our suppliers is acknowledged by the Board and supplier relationships are managed and maintained in line with Quilter Group policy. Please refer to the Quilter plc 2024 Annual Report for further information on how we foster relationships with our suppliers.

Signed on behalf of the Board



S J Geard

Director

11 June 2025

DIRECTORS' REPORT

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

PRINCIPAL ACTIVITIES AND REVIEW OF BUSINESS

The review of the business and principal risks and uncertainties, as well as likely future developments in the business, 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 of these financial statements were:

M Dean (resigned 30 June 2024)
S C Gazard
S J Geard (appointed 1 June 2024)

The Company Secretary during the year was Quilter CoSec Services Limited.

DIRECTORS' THIRD-PARTY INDEMNITY PROVISIONS

Qualifying third-party indemnity provisions (as defined by section 234 of the Companies Act 2006) were in force during the course of the 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.

FINANCIAL INSTRUMENTS

The Company's main exposure to risk arising from financial instruments is its exposure to credit risk arising on cash or short-term deposits and trade and other receivables. The Company's cash and cash equivalents are managed to ensure this risk is mitigated.

DIVIDENDS

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

EMPLOYEES

The Company has no employees (2023: nil). Quilter Financial Planning Limited (**"QFPL"**) and Quilter Business Services Limited ("**QBS**") employ all staff and the related disclosures are shown in those financial statements.

POLITICAL DONATIONS

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

BUSINESS RELATIONSHIP STATEMENT

The Company forms part of the 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, 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 report and financial statements of the Quilter plc Annual Report for 2024, which does not form part of this report. There are no further considerations which would be relevant for the Company.

MANAGED CAPITAL

The Company's objectives in managing its capital are to ensure that there are adequate resources to meet the Company's liabilities as they fall due, to meet external capital requirements set by the FCA, and to allocate capital efficiently to support growth and return excess capital where appropriate. The Company manages its capital by measuring its resources and cash available on a regular basis, and through regular monitoring of excess regulatory capital. The Company's capital position and the movement in this from the prior year are disclosed within the statement of changes in equity. The Company met all external regulatory capital requirements during the year.

STATEMENT OF GOING CONCERN

The use of the going concern basis of accounting is considered appropriate, reflecting the commitment of the Company's ultimate parent company, Quilter plc, to provide continued capital support to the Company for at least the three years to 31 December 2027.

In light of the above there are no material uncertainties, related events or conditions that may cast significant doubt over the ability of the Company to meet its liabilities as they fall due, for at least 12 months from the date of approving these financial statements.

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 investor, we continually work to embed climate considerations in our investment management and stewardship activity and offer clients climate focused investment solutions.

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.

DIRECTORS' REPORT (continued)

INDEPENDENT AUDITORS

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

Signed on behalf of the Board

S J Geard

Director
11 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.

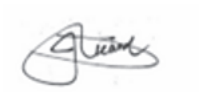
The directors are also responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the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

The directors are responsible for the maintenance and integrity of the company's financial statements published on the ultimate parent company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Directors' confirmations
In the case of each director in office at the date the directors' report is approved:

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- they have 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.

Signed on behalf of the Board



S J Geard

Director

11 June 2025

Independent auditors' report to the members of Quilter Mortgage Planning Limited

Report on the audit of the financial statements

Opinion

In our opinion, Quilter Mortgage Planning 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 profit 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.

Conclusions relating to going concern

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

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

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

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

Reporting on other information

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

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 breaches of UK regulatory principles, such as those governed by the Financial Conduct Authority, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as the Companies Act 2006. 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 manipulation of results by posting inappropriate journal entries and management bias in accounting estimates. Audit procedures performed by the engagement team included:

- Discussions with those charged with governance, internal audit, management involved in the risk and compliance functions and the Quilter group's legal function;
- Reviewing relevant meeting minutes of the Board of Directors;
- Identifying and testing journal entries, in particular any journals which meet the defined risk criteria;
- Challenging assumptions made by management in accounting estimates and judgements;
- Designing and performing audit procedures to incorporate unpredictability around the nature, timing or extent of our testing;
- Reviewing correspondence with the Financial Conduct Authority in relation to compliance with laws and regulations; and
- Reviewing the disclosures in the annual report and financial statements 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 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.

Matthew Taplin (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
12 June 2025

Statement of comprehensive income

For the year ended 31 December 2024

	Note	£'000 2024	£'000 2023
Income			
Fee income and other income from service activities	4	**11,696**	13,378
Revenue gross of payments to Appointed Representatives[1]		**61,642**	66,864
Payments to Appointed Representatives[1]		**(49,946)**	(53,486)
Other income	5	**60**	18
Total income		**11,756**	13,396
Expenses			
Other operating and administrative expenses		**(4,044)**	(6,748)
Total expenses	6	**(4,044)**	(6,748)
Profit before tax		**7,712**	6,648
Tax credit/(charge) on profit	7	**943**	(950)
Profit after tax		**8,655**	5,698
Total comprehensive income for the financial year		**8,655**	5,698

[1]"Revenue gross of payments to Appointed Representatives" and "Payments to Appointed Representatives" are alternative performance measures ("APMs") of the Company used by management to assess our financial performance and are disclosed to provide additional comparability and understanding of the financial results.

All the above amounts in the current and prior year derive from continuing activities.

The notes on pages 19 to 34 form an integral part of these financial statements.

Statement of changes in equity

For the year ended 31 December 2024

	Ordinary Share capital £'000	Retained earnings £'000	Total equity £'000
Balance at 1 January 2024	**18,500**	**1,850**	**20,350**
Profit after tax	-	8,655	8,655
Total comprehensive income	**-**	**8,655**	**8,655**
Balance at 31 December 2024	**18,500**	**10,505**	**29,005**

	Ordinary Share capital £'000	(Accumulated losses)/retained earnings £'000	Total equity £'000
Balance at 1 January 2023	**18,500**	**(3,848)**	**14,652**
Profit after tax	-	5,698	5,698
Total comprehensive income	**-**	**5,698**	**5,698**
Balance at 31 December 2023	**18,500**	**1,850**	**20,350**

Total comprehensive income includes profit and the total comprehensive income presented is equal to the profit in both years presented.

The notes on pages 19 to 34 form an integral part of these financial statements.

Statement of financial position
At 31 December 2024

	Note	£'000 2024	£'000 2023
Current assets			
Current tax assets		**41**	-
Trade, other receivables and other assets	8	**34,670**	30,511
Cash and cash equivalents	9	**1,443**	647
		36,154	31,158
Current liabilities			
Provisions	11	**1,446**	2,414
Current tax liabilities		**1,039**	1,991
Trade, other payables and other liabilities	12	**1,096**	1,423
		3,581	5,828
Net current assets		**32,573**	25,330
Non-Current liabilities			
Provisions	11	**3,568**	4,980
		3,568	4,980
Net Assets		**29,005**	20,350
Equity			
Ordinary Share capital	10	**18,500**	18,500
Retained earnings		**10,505**	1,850
Total Equity		**29,005**	20,350

The notes on pages 19 to 34 form an integral part of these financial statements.

The financial statements on pages 16 to 34 were approved by the Board of Directors and authorised for issue on 11 June 2025 and signed on its behalf by:

....
S J Geard
Director

General information

Quilter Mortgage Planning 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 2.

The address of its registered office is disclosed in the Company information section on page 1.

1: Basis of preparation

The financial statements of Quilter Mortgage Planning Limited for the year ended 31 December 2024 have been prepared in accordance with Financial Reporting Standard 101, 'Reduced Disclosure Framework' (**"FRS 101"**). The financial statements have been prepared under the historical cost convention, and in accordance with the Companies Act 2006 as applicable to companies using FRS 101. These financial statements are presented in 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 2.

The format of the statement of financial position has been changed for 2024 reporting to present subtotals for current and non-current assets and for current and non-current liabilities. This change has been made in order to provide additional information within the primary statements. The prior year figures in respect of 2023 have been re-presented in the new format to ensure comparability. For each asset and liability line item, those amounts expected to be recovered or settled after more than twelve months after the reporting date are disclosed separately in the notes to the financial statements.

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, fair value measurement, financial instruments, impairments, related party transactions, share capital, not showing a third balance sheet for re-presentation of Statement of financial position format 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.

The accounting policies set out below, have, unless otherwise stated, been applied consistently to all periods presented on these financial statements.

1: Basis of preparation (continued)

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

The amendments to accounting standards in the table below became applicable for the current reporting period, with no material impact on the Company's results.

Adopted by the Company from	Amendments to standards
1 January 2024	Amendments to IAS 1 Presentation of Financial Statements – classification of liabilities as current and non-current
1 January 2024	Amendments to IAS 1 Presentation of Financial Statements – non-current liabilities with covenants
1 January 2024	Amendments to IFRS 16 Leases – Sale and leaseback transactions
1 January 2024	Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures – Supplier Finance Arrangements

Going concern

The Directors believe that the Company is well placed to manage its business risks in the context of the current economic outlook and has sufficient financial resources to continue in business for a period of at least 12 months from the date of approval of these financial statements and continue to adopt the going concern basis in preparing the financial statements.

In assessing this, the Directors have considered:

- the liquidity of the Company's assets;
- the projected regulatory capital position of the Company;
- the letter of support received from the Company's ultimate holding company, Quilter plc, confirming its intention to provide the required level of continued capital support for at least three years to 31 December 2027 along with the management consideration of the parent's ability to provide that support.

In light of the above there are no material uncertainties, related events or conditions that may cast significant doubt over the ability of the Company to meet its liabilities as they fall due, for at least 12 months from the date of approving these financial statements.

The use of the going concern basis of accounting is considered appropriate, reflecting the letter of support received from the Company's ultimate holding company, Quilter plc, confirming its intention to provide continued capital support to the Company for at least the three years to 31 December 2027.

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.

2: Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. The Quilter plc and Affluent Boards Audit Committees as well as the Directors review these areas of judgement and estimates and the appropriateness of material accounting policies adopted in the preparation of these financial statements.

Critical accounting judgements

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

- *Recognition of asset recoverable from Advisers in relation to indemnity commission provision*

  Management has applied judgement in order to recognise the fact that an element of indemnity commission repayable will be recoverable from Adviser firms with the proportion recoverable reflecting the average commission rate paid. The recoverability judgement is based on the ability to offset amounts receivable on income that continues to be generated by the advisers. See note 8 for further details.

- *Recognition of revenue*

  Given the Company's business model for advice, management is required to exercise significant judgement in assessing the capacity in which the Company is contracting for the purposes of recognising revenue from the advice business under IFRS 15 (Revenue from Contracts with Customers). As a result of the assessment, management has determined that revenue from the advice business should be presented net of certain fees and commissions payable to Appointed Representatives of Quilter companies.

  Recognising how the Company manages Business operations, alternative performance measures of the Company used by management to assess financial performance are disclosed to provide additional comparability and understanding of the financial results.

2: Critical accounting estimates and judgements (continued)

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.

- *Indemnity commission provision and related recoverable balance*

  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.

  In calculating the provision for this clawback of commissions, management has assumed the future pattern of policies lapsing within the indemnity period will reflect historical experience.

  In calculating the proportion of indemnity commission repayments that can then be recovered from advisers, management has used the weighted average commission rate paid to advisers applied against the clawback provision, which is based on the previous four years clawback experience.

  The provision calculated and estimated amounts recoverable from advisers are discounted using a cost of capital based on the Group discount rate. Discounting is required to reflect the reduction in value of money over the indemnity period.

  Per note 11, the provision amounted to £4,757,000 as at 31 December 2024 (2023: £6,640,000). An increase of 1% to the average rate of commissions being repaid due to policies lapsing would increase the provision by £1,271,000 (2023: £1,633,000). A decrease of 1% to the average rate of commissions being repaid due to policies lapsing would decrease the provision by £1,271,000 (2023: £1,633,000). A reduction of 1% to the cost of capital used would increase the provision by £21,000 (2023: £32,000). An increase of 1% to the cost of capital used would decrease the provision by £21,000 (2023: £31,000).

  Per note 8, the amount recoverable from advisers was £2,642,000 as at 31 December 2024 (2023: £3,796,000). An increase of 1% to the recovery rate would increase the recoverable amount by £35,000 (2023: £45,000). A decrease of 1% to the recovery rate would decrease the recoverable amount by £35,000 (2023: £45,000). A reduction of 1% to the cost of capital used would increase the recoverable amount by £14,000 (2023: £20,000). An increase of 1% to the cost of capital used would decrease the recoverable amount by £14,000 (2023: £19,000).

3: 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.

Fee income and other income from service activities
Fee income and other income from service activities represent the fair value of services provided, net of value added tax. 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 profit and loss at the point of sale, based upon assumptions determined from historical experience.

"Fee income and other income from service activities" is comprised of "Revenue gross of payments to Appointed Representatives" less "Payments to Appointed Representatives", which are the APMs of the Company used by management to assess our financial performance and are disclosed to provide additional comparability and understanding of the financial results.

Financial instruments
Financial instruments cover a wide range of financial assets, including trade and intercompany receivables and cash and cash equivalents and certain financial liabilities, including trade and intercompany 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.

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 Fair value through the Profit and Loss (**"FVTPL"**), transaction costs that are directly attributable to its acquisition.

3: Material accounting policies (continued)

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 within the Company: FVTPL and amortised cost. This classification determines the subsequent measurement basis. The following accounting policies apply to the subsequent measurement of financial assets.

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 and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Fair value measurement
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.

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.

3: Material accounting policies (continued)

Cash and cash equivalents
Cash and cash equivalents comprise cash balances with an original maturity of three months or less and no significant credit risk.

All 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 equate to fair value.

Financial liabilities
Financial liabilities, being the Company's trade payables, are measured at amortised cost using the effective interest method.

Trade payables and receivables
Trade payables and receivables, other than amounts recoverable from advisers for indemnity commission, 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. Financial assets at amortised cost include trade and intercompany receivables and cash and cash equivalents.

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.

3: Material accounting policies (continued)

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.
- Inter-company receivables and cash and cash equivalents 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 would trigger 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). Full provision is made for amounts due from advisers on termination of their relationship with the Company. 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.

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.

Inter-company balances are assessed for expected credit loss, but due to the value of cash within the Group, which could be waterfalled around each business, and no historical losses incurred on inter-company balances, no ECL has been recognised on inter-company balances.

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

3: Material accounting policies (continued)

Taxation

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 profit and loss, 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 profit and loss, 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.

Provisions, contingent liabilities and contingent assets

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.
- Legal uncertainties and the settlement of other claims.

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.

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.

4: Fee income and other income from service activities

	£'000	£'000
	2024	2023
Revenue gross of payments to Appointed Representatives[1]	**61,642**	66,864
Payments to Appointed Representatives[1]	**(49,946)**	(53,486)
Fee income and other income from service activities	**11,696**	13,378

[1]"Revenue gross of payments to Appointed Representatives" and "Payments to Appointed Representatives" are alternative performance measures ("APMs") of the Company used by management to assess our financial performance and are disclosed to provide additional comparability and understanding of the financial results.

Fee income and other income from service activities represents income receivable on advice provided by financial advisers and is derived from continuing operations in the UK.

5: Other income

	£'000	£'000
	2024	2023
Bank interest	**60**	18
Total other income	**60**	18

6: Total expenses

This note provides further details in respect of the items appearing in expenses on the statement of comprehensive income.

	£'000 **2024**	£'000 2023
Management recharges from Group companies	**3,648**	4,500
Financial Conduct Authority levies	**636**	596
Complaints, remediations and expected credit loss	**(322)**	1,560
Other administrative expenses	**82**	92
Total other operating and administrative expenses	**4,044**	6,748

The credit in Complaints, remediations and expected credit loss is due to the release of provisions, following investigation those claims were not deemed to be payable.

Directors' remuneration

	£'000 **2024**	£'000 2023
Proportion of Directors' emoluments paid by other group entities attributable to the Company		
Remuneration	**125**	88
Pension	**2**	1
Total share based payments	**66**	45

2 Directors had money paid to money purchase schemes during the year (2023: 1).
3 Directors received, or were due to receive, shares or share options under a long-term incentive scheme (2023: 0).
2 Directors exercised options during the year (2023: 2).

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 Save As You Earn scheme, pay-out of contractual long-term incentive, pension contributions, bonus and statutory redundancy.

The Directors' remuneration was paid by other Group entities.

Auditors' remuneration
Audit fees are paid by QBS on behalf of the Company.

	£'000 **2024**	£'000 2023
Fees payable for audit services	**56**	54
Total Company auditors' remuneration	**56**	54

7: Tax (credit)/charge on profit

Tax (credited)/charged to profit

	£'000	£'000
	2024	2023
Current tax		
UK	**353**	1,560
Adjustments to current tax in respect of prior periods	**(1,296)**	(610)
Total current tax (credit)/charge	**(943)**	950
Total tax (credited)/charged to profit	**(943)**	950

Reconciliation of total income tax expense

The income tax (credited)/charged to profit or loss differs from the amount that would apply if all of the Company's profits had been taxed at the UK standard Corporation Tax rate. The difference in the effective rate is explained below:

	£'000	£'000
	2024	2023
Profit before tax	**7,712**	6,648
Corporation tax charge at 25% (2023: 23.5%)	**1,928**	1,560
Effect of:		
Adjustments to current tax in respect of prior years	**(1,296)**	(610)
Expenses not deductible for tax purposes	**(1,575)**	-
Total tax (credited)/charged to profit	**(943)**	950

Expenses not deductible for tax purposes contains an amount of £1,602,522 for a transfer pricing adjustment.

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%.

8: Trade, other receivables and other assets

This note analyses total trade, other receivables and other assets.

	£'000	£'000
	2024	2023
Trade receivables	**206**	288
Amounts due from fellow Group undertakings	**31,667**	26,274
Amount recoverable from advisers for indemnity commission	**2,642**	3,796
Prepayments *	**155**	153
	34,670	30,511

* Renamed from Amount recoverable from professional indemnity insurance in prior year.

All balances are expected to be settled within 12 months.

Trade receivables mainly relate to trade debtors and other debtors.

None of the receivables reflected above have been subject to the renegotiation of terms. All receivables are interest free and are carried at fair value.

All amounts due from Group undertakings are short-term and interest-free with the carrying amount approximating to fair value. There have been no non-performing receivables or material impairments in the financial year that require disclosure.

A number of advisers (and former advisers) are indebted to the Company. This debt ordinarily arises from indemnity commission or complaint insurance excesses applied to the adviser's account. Each one of these is reviewed regularly in conjunction with the amounts retained from advisers to cover potential indemnity commission and provision made where recovery is deemed necessary. All the Company's financial assets except indemnity commission included in this note are classified as assets at amortised cost. Impairments of financial assets are assessed using an 'expected loss' model. The movements in provisions made against trade debtors and deducted in arriving at the balances stated above were as follows

Trade receivables are presented net of the following provision relating to amounts receivable from advisers.

	£'000	£'000
Expected credit loss utilisation	**2024**	2023
Balance brought forward	**2,379**	2,873
Charged/(credited) to income statement	**89**	(494)
Balance carried forward	**2,468**	2,379

9: Cash and cash equivalents

	£'000	£'000
	2024	2023
Cash at bank	**1,443**	647
Total cash and cash equivalents	**1,443**	647

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

10: Ordinary Share capital

The Company's Ordinary Share capital at the end of the year is as follows:	Number of shares (authorised, allotted and fully paid)	£'000 Nominal value
At 1 January 2023		
Ordinary Shares of £1 each	18,500,001	18,500
Total Ordinary Share capital at 31 December 2023	18,500,001	18,500
Total Ordinary Share capital at 31 December 2024	**18,500,001**	**18,500**

There has been no movement in the share capital in the current or prior year.

11: Provisions

	Indemnity commission provision	Complaints provision	**Total**
	£'000	£'000	**£'000**
At 1 January 2023	7,943	1,169	**9,112**
Charged to profit and loss	3,198	1,080	**4,278**
Unused amounts reversed	-	(625)	**(625)**
Utilised during the year	(4,501)	(870)	**(5,371)**
At 31 December 2023	**6,640**	**754**	**7,394**
Charged to profit and loss	1,061	146	**1,207**
Unused amounts reversed	-	(468)	**(468)**
Utilised during the year	(2,944)	(175)	**(3,119)**
At 31 December 2024	**4,757**	**257**	**5,014**

	£'000	£'000
	2024	2023
To be recovered within 12 months	**1,446**	2,414
To be recovered after 12 months	**3,568**	4,980
	5,014	7,394

Indemnity commission provision

In the event of a clawback of indemnity commission in respect of policies cancelled during the indemnity period, the Company has an obligation to settle the liability. The provision for clawback of indemnity commission represents the expected cost of clawbacks from product providers for subsequent policy cancellations and mid-term adjustments in respect of policies written at 31 December 2024.

The provision is calculated by reference to historical data resulting from past claims, referenced to present day sales of indemnity products. The amount provided represents the gross obligation, discounted at a cost of capital of 9.0% (2023:10.3%) and, where these amounts can be recovered from advisers, an asset is recognised (and similarly discounted). This provision is charged as a reduction of revenue at the point of sale of each policy. The provision was reviewed at the end of 2024. The impact of discounting was £209,000 (2023 £486,000).

An asset is held for the amount recoverable from advisers for any liability caused by the above within trade, other receivables and other assets (note 8). As at 31 December 2024 this stood at £2,642,000 (2023: £3,796,000).

Complaints provision

Provision is made for expected settlements on open complaints and costs to compensate previous or existing customers.

12: Trade, other payables and other liabilities

	£'000	£'000
	2024	2023
Trade and other payables	**645**	1,051
Amounts due to fellow Group undertakings	**451**	372
Total trade and other payables	**1,096**	1,423

Trade and other payables principally comprise amounts due to advisers. The Directors consider that the carrying amount of trade and other payables approximates to their fair value. All trade and other payables are short-term and interest-free.

Amounts due to fellow Group undertakings are unsecured, interest-free and current.

13: Contingent liabilities

There are no contingent liabilities as at 31 December 2024 (2023: £nil).

14: Ultimate parent company

The Company's immediate parent company is Quilter Financial Planning 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
plc.Quilter.com

15: Events after the end of the reporting period

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