

Registered number: 07837708

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**SMITH & WILLIAMSON I M LIMITED**

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**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

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**SMITH & WILLIAMSON I M LIMITED**

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**COMPANY INFORMATION**

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**Directors**

A Baddeley  
N Mitford-Slade  
C Woodhouse

**Company secretary**

G White

**Registered number**

07837708

**Registered office**

25 Moorgate  
London  
EC2R 6AY

**Independent auditor**

Mazars LLP  
Chartered Accountants and Statutory Auditor  
30 Old Bailey  
London  
EC4M 7AU

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**SMITH & WILLIAMSON I M LIMITED**

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## SMITH & WILLIAMSON I M LIMITED

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### DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

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

The Company has elected not to present a Strategic Report in accordance with section 414B of the Companies Act 2006 exemption relating to small companies.

#### Business review

Smith & Williamson I M Limited (the "Company") is a wholly owned subsidiary of Smith & Williamson Holdings Limited, which is a subsidiary of Tilney Smith & Williamson Limited, the parent company for which consolidated accounts are prepared (the "Group").

The Company's principal activity are to operate as an intermediate holding company and a corporate designated member of Smith & Williamson Investment Management LLP, from which it receives a profit share.

In the prior year, the Company changed its reporting period from 30 April to 31 December following the acquisition in September 2020 of its ultimate parent company by Tilney Smith & Williamson Limited, which has a 31 December year end. As such, comparative results in the financial statements cover the eight months from 1 May 2020 to 31 December 2020.

Profit before tax for the year was £9,287,000 (period ended 31 December 2020 - £36,223,000). The profit before tax reflects the profit share received from Smith & Williamson Investment Management LLP.

At 31 December 2021, the Company had net assets of £35,686,000 (2020 - £34,735,000).

#### Directors

The Directors who served during the period, except where noted, were:

A Baddeley  
D Cobb (resigned 25 May 2021)  
N Mitford-Slade  
C Woodhouse

#### Indemnity

The Directors have been covered by third party liability insurance throughout the year and the policy of insurance remains in force.

#### Results and dividends

The profit for the year, after taxation, amounted to £9,951,000 (period ended 31 December 2020 - £35,359,000).

During the year, the Company paid dividends of £9,000,000 (period ended 31 December 2020 - £34,000,000). The Directors do not recommend payment of a final dividend.

#### Principal risks and uncertainties

Risk and compliance oversight is managed at Group level. Some of the Board Directors are also directors in Tilney Smith & Williamson Limited. The Company is not exposed to material interest rate risk, market risk, liquidity risk or credit risk. The company is exposed to variable returns from its investment in subsidiaries.

#### Financial key performance indicators

As the Company is a holding company with few activities there are no significant key performance indicators for the Company.

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## **SMITH & WILLIAMSON I M LIMITED**

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### **DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021**

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#### **Going concern**

The Directors are required to satisfy themselves that it is reasonable to presume that the Company is a going concern. After reviewing the Company's performance projections for the period of at least 12 months from the date of issue of the financial statements, the Directors are satisfied that, in taking account of a range of stress tests which are deemed to be severe but plausible, the Company has adequate access to resources to enable the Company to meet its obligations and continue in operational existence for the foreseeable future. Accordingly, the Directors continue to adopt the going concern basis of accounting in preparing the financial statements.

#### **Independent auditor**

Under s487(2) of the Companies Act 2006, Mazars LLP will be deemed to have been reappointed as auditor 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier.

#### **Post balance sheet events**

There have been no material post balance sheet events requiring disclosure prior to the date of signing this report.

#### **Future outlook**

The Directors have reviewed the business and consider the performance of the Company to be in line with expectations for the year. The Directors consider that the Company's position at the end of the period is consistent with the size and complexity of the business. The Directors are cautiously optimistic that the current levels of performance will be maintained in the medium-term.

#### **Company secretary**

On 1 September 2021, G White was appointed as company secretary to replace D Saunders who resigned as company secretary on the same day.

#### **Directors' responsibilities statement**

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

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 101 'Reduced Disclosure Framework'. Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

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

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

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**SMITH & WILLIAMSON I M LIMITED**

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**DIRECTORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2021**

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The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the corporate and financial information. Legislation in the United Kingdom, governing the preparation and dissemination of financial statements, may differ from legislation in other jurisdictions.

**Disclosure of information to the auditor**

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

- so far as the Director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- the Director has taken all the steps that he/she ought to have taken as a Director in order to make himself/herself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provision of s418 of the Companies Act 2006.

This report was approved by the Board and signed on its behalf.



**G White**  
Secretary

Date: 26 May 2022

25 Moorgate  
London  
EC2R 6AY

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## SMITH & WILLIAMSON I M LIMITED

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### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SMITH & WILLIAMSON I M LIMITED

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#### Opinion

We have audited the financial statements of Smith & Williamson I M Limited (the 'Company') for the year ended 31 December 2021 which comprise the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity and the Notes to the Financial Statements, including a summary of significant accounting policies.

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

In our opinion, the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2021 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Conclusions relating to going concern

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.

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.

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

#### Other information

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

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

We have nothing to report in this regard.

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## SMITH & WILLIAMSON I M LIMITED

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### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SMITH & WILLIAMSON I M LIMITED

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#### Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

#### Matters on which we are required to report by exception

In light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- 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
- the Company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Directors were not entitled to take advantage of the exemption from the requirement to prepare a Strategic Report.

#### Responsibilities of Directors

As explained more fully in the Directors' Responsibilities Statement set out on page 2 - 3, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

#### Auditor's responsibilities for the audit of the financial statements

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

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

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.

Based on our understanding of the Company and its industry, we considered that non-compliance with the following laws and regulations might have a material effect on the financial statements: breaches of financial crime laws and regulations, regulatory compliance, and anti-money laundering regulation.

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## SMITH & WILLIAMSON I M LIMITED

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### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SMITH & WILLIAMSON I M LIMITED

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To help us identify instances of non-compliance with these laws and regulations, and in identifying and assessing the risks of material misstatement in respect to non-compliance, our procedures included, but were not limited to:

- Discussing with the Directors and Management their policies and procedures regarding compliance with laws and regulations;
- Communicating identified laws and regulations to the engagement team and remaining alert to any indications of non-compliance throughout our audit;
- Considering the risk of acts by the Company, which were contrary to applicable laws and regulations, including fraud;
- Review of the compliance register, correspondence with regulators, including the legal regulator, the Financial Conduct Authority, and licensing authorities such as compliance with ICAEW requirements;
- Review reporting to the Group Risk and Audit Committee in respect of regulatory, compliance and legal matters;
- Review of internal audit reports, with particular focus on those with potential implications for the financial statements;
- Results of our enquiries of Management, Internal Audit and the Group Risk and Audit Committee about their own identification and assessment of the risks of irregularities, and whether they had knowledge of any actual, suspected or alleged fraud; and
- Challenging assumptions and judgements made by Management in its significant accounting estimates, in relation to the carrying amounts of assets and liabilities that are not readily apparent from other sources.

We also considered those laws and regulations that have a direct impact on the preparation of the financial statements, such as FRS 101 "Reduced Disclosure Framework" and the Companies Act 2006.

In addition, we evaluated the Directors' and Management's incentives and opportunities for fraudulent manipulation of the financial statements, including the risk of management override of controls, and determined that the principal risks related to posting manual journal entries to manipulate financial performance, management bias in significant accounting estimates, in particular those involving fair values and impairment, and significant one-off or unusual transactions.

Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries of the Directors and Management on whether they had knowledge of any actual, suspected, or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team involving relevant internal specialists, such as accounting, Tax and IT, regarding the risk of fraud, particularly how, why and where fraud might occur in the financial statements; and
- Addressing the risks of fraud through management override of controls by identifying and testing journal entries with particular risk characteristics.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with Management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

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**SMITH & WILLIAMSON I M LIMITED**

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SMITH & WILLIAMSON I M LIMITED**

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**Use of the audit report**

This report is made solely to the Company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body for our audit work, for this report, or for the opinions we have formed.

  
Andrew Heffron (May 26, 2022 16:26 GMT+1)

Andrew Heffron (Senior statutory auditor)  
for and on behalf of Mazars LLP  
Chartered Accountants and Statutory Auditor  
London

Date: 26 May 2022

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**SMITH & WILLIAMSON I M LIMITED**

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**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2021**

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|                                                       | Note | year ended<br>31 December<br>2021<br>£000 | period ended<br>31 December<br>2020<br>£000 |
|-------------------------------------------------------|------|-------------------------------------------|---------------------------------------------|
| Administrative expenses                               |      | -                                         | (2)                                         |
| <b>Operating loss</b>                                 |      | <b>-</b>                                  | <b>(2)</b>                                  |
| Income from investments                               | 6    | 9,287                                     | 36,225                                      |
| <b>Profit before tax</b>                              |      | <b>9,287</b>                              | <b>36,223</b>                               |
| Taxation                                              | 7    | 664                                       | (864)                                       |
| <b>Profit for the financial year/period</b>           |      | <b>9,951</b>                              | <b>35,359</b>                               |
| <b>Total comprehensive income for the year/period</b> |      | <b>9,951</b>                              | <b>35,359</b>                               |

The Company has no other comprehensive income or loss items other than the profit for the current year and profit for the prior year.

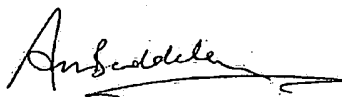
The notes on pages 11 to 19 form part of these financial statements.

**SMITH & WILLIAMSON I M LIMITED**  
**REGISTERED NUMBER:07837708**

**BALANCE SHEET**  
**AS AT 31 DECEMBER 2021**

|                                                | Note | 2021<br>£000   | 2020<br>£000   |
|------------------------------------------------|------|----------------|----------------|
| <b>Fixed assets</b>                            |      |                |                |
| Investments                                    | 8    | 35,550         | 34,138         |
| Deferred tax assets                            | 12   | 8,340          | 1,842          |
|                                                |      | <u>43,890</u>  | <u>35,980</u>  |
| <b>Current assets</b>                          |      |                |                |
| Debtors: Amounts falling due within one year   | 9    | -              | 1,419          |
| Cash and cash equivalents                      | 10   | 69             | 94             |
|                                                |      | <u>69</u>      | <u>1,513</u>   |
| Creditors: Amounts falling due within one year | 11   | (8,273)        | (2,758)        |
| <b>Net current liabilities</b>                 |      | <u>(8,204)</u> | <u>(1,245)</u> |
| <b>Total assets less current liabilities</b>   |      | <u>35,686</u>  | <u>34,735</u>  |
| <b>Net assets</b>                              |      | <u>35,686</u>  | <u>34,735</u>  |
| <b>Capital and reserves</b>                    |      |                |                |
| Capital redemption reserve                     |      | 24,976         | 24,976         |
| Profit and loss account                        |      | 10,710         | 9,759          |
| <b>Total equity</b>                            |      | <u>35,686</u>  | <u>34,735</u>  |

The financial statements were approved and authorised for issue by the Board and were signed on its behalf on 26 May 2022.



**A Baddeley**  
Director

The notes on pages 11 to 19 form part of these financial statements.

**SMITH & WILLIAMSON I M LIMITED**

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2021**

|                                                            | Capital<br>redemption<br>reserve<br>£000 | Profit and<br>loss account<br>£000 | Total equity<br>£000 |
|------------------------------------------------------------|------------------------------------------|------------------------------------|----------------------|
| <b>At 1 May 2020</b>                                       | <b>24,976</b>                            | <b>8,400</b>                       | <b>33,376</b>        |
| <b>Comprehensive income for the financial period</b>       |                                          |                                    |                      |
| Profit for the financial period                            | -                                        | 35,359                             | 35,359               |
| <b>Total comprehensive income for the financial period</b> | <b>-</b>                                 | <b>35,359</b>                      | <b>35,359</b>        |
| Dividends paid                                             | -                                        | (34,000)                           | (34,000)             |
| <b>At 31 December 2020</b>                                 | <b>24,976</b>                            | <b>9,759</b>                       | <b>34,735</b>        |
| <b>Comprehensive income for the financial year</b>         |                                          |                                    |                      |
| Profit for the financial year                              | -                                        | 9,951                              | 9,951                |
| <b>Total comprehensive income for the financial year</b>   | <b>-</b>                                 | <b>9,951</b>                       | <b>9,951</b>         |
| Dividends paid                                             | -                                        | (9,000)                            | (9,000)              |
| <b>At 31 December 2021</b>                                 | <b>24,976</b>                            | <b>10,710</b>                      | <b>35,686</b>        |

The notes on pages 11 to 19 form part of these financial statements.

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## SMITH & WILLIAMSON I M LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

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#### 1. General information

Smith & Williamson I M Limited (the "Company") is a company incorporated and domiciled in the United Kingdom under the Companies Act 2006. The registered number is 07837708 and the registered office address is 25 Moorgate, London, EC2R 6AY.

#### 2. Accounting policies

##### 2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' and the Companies Act 2006.

These financial statements are presented in pounds sterling because that is the currency of the primary economic environment in which the Company operates.

The Company's top UK parent undertaking, Tilney Smith & Williamson Limited includes the Company in its consolidated financial statements and therefore the Company is exempt from the requirement to produce consolidated financial statements. The consolidated financial statements of Tilney Smith & Williamson Limited are prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006, are available to the public and may be obtained from the Registrar of Companies, Companies House, Crown Way, Maindy, Cardiff, CF14 3UZ.

The preparation of financial statements in compliance with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the company's accounting policies (see note 3).

The following principal accounting policies have been applied:

##### 2.2 Financial reporting standard reduced disclosure exemptions

The Company has taken advantage of the following disclosure exemptions under FRS 101:

- the requirements of IFRS 7 Financial Instruments: Disclosures
- the requirements of paragraphs 91-99 of IFRS 13 Fair Value Measurement
- the requirements of the second sentence of paragraph 110 and paragraphs 113(a), 114, 115, 118, 119(a) to (c), 120 to 127 and 129 of IFRS 15 Revenue from Contracts with Customers
- the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of:
  - paragraph 79(a)(iv) of IAS 1;
- the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D, 111 and 134-136 of IAS 1 Presentation of Financial Statements
- the requirements of IAS 7 Statement of Cash Flows
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors
- the requirements of paragraph 17 and 18A of IAS 24 Related Party Disclosures
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member

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## SMITH & WILLIAMSON I M LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

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## 2. Accounting policies (continued)

### 2.3 Going concern

The Directors are required to satisfy themselves that it is reasonable to presume that the Company is a going concern. After reviewing the Company's performance projections for the period of at least 12 months from the date of issue of the financial statements, the Directors are satisfied that, in taking account of a range of stress tests which are deemed to be severe but plausible, the Company has adequate access to resources to enable the Company to meet its obligations and continue in operational existence for the foreseeable future. Accordingly, the Directors continue to adopt the going concern basis of accounting in preparing the financial statements.

### 2.4 Interest income

Interest income is recognised when it is probable that the economic benefits will flow to the Company and the amount of revenue can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

### 2.5 Current and deferred taxation

Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the company can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

### 2.6 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment. The impairment testing performed considered the net assets of the subsidiaries held and whether this exceeded the carrying value. In instances where the net asset value is lower than the carrying value, a value in use assessment is performed using discounted forecast cash flows for the relevant subsidiary to assess whether an impairment has arisen.

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## SMITH & WILLIAMSON I M LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

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#### 2. Accounting policies (continued)

##### 2.7 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

##### 2.8 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

##### 2.9 Creditors

Creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers.

Creditors are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

##### 2.10 Financial instruments

The Company recognises financial instruments when it becomes a party to the contractual arrangements of the instrument. Financial instruments are de-recognised when they are discharged or when the contractual terms expire. The Company's accounting policies in respect of financial instruments transactions are explained below:

Financial assets and financial liabilities are initially measured at fair value.

###### Financial assets

All recognised financial assets are subsequently measured in their entirety at either fair value or amortised cost, depending on the classification of the financial assets.

###### Impairment of financial assets

The Company always recognises lifetime expected credit losses (ECL) for trade receivables and amounts due on contracts with customers. The ECL on these financial assets are estimated based on the Company's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate. Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument.

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**SMITH & WILLIAMSON I M LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

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**2. Accounting policies (continued)**

**2.10 Financial instruments (continued)**

**Financial liabilities**

**At amortised cost**

Financial liabilities which are neither contingent consideration of an acquirer in a business combination, held for trading, nor designated as at fair value through profit or loss are subsequently measured at amortised cost using the effective interest method. This is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or where appropriate a shorter period, to the amortised cost of a financial liability.

**2.11 Dividends**

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

**3. Critical accounting judgements and key sources of estimation uncertainty**

In the application of the Company's accounting policies, which are described in note 2, the Directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. In making these estimates and judgements, the impact of COVID 19 has been considered and, where appropriate, additional disclosures have been made. There are no critical judgements or estimates to disclose at the year end.

**4. Auditor's remuneration**

|                                                                                                                     | year ended<br>31 December<br>2021<br>£000 | period ended<br>31 December<br>2020<br>£000 |
|---------------------------------------------------------------------------------------------------------------------|-------------------------------------------|---------------------------------------------|
| Fees payable to the Company's auditor and its associates for the audit of the Company's annual financial statements | 2                                         | 2                                           |

Audit fees were paid and borne by TS&W Services Limited, another company within the Group.

The Company has taken advantage of the exemption not to disclose amounts paid for non-audit services as these are disclosed in the group accounts of the parent company.

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**SMITH & WILLIAMSON I M LIMITED**

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**5. Directors' remuneration**

|                               | year ended<br>31 December<br>2021<br>£000 | period ended<br>31 December<br>2020<br>£000 |
|-------------------------------|-------------------------------------------|---------------------------------------------|
| Salaries and other emoluments | 3,756                                     | 1,277                                       |
| Pension scheme contributions  | -                                         | -                                           |
|                               | <u>3,756</u>                              | <u>1,277</u>                                |

|                                                                       | year ended<br>31 December<br>2021<br>£000 | period ended<br>31 December<br>2020<br>£000 |
|-----------------------------------------------------------------------|-------------------------------------------|---------------------------------------------|
| <b>The highest paid Director received the following remuneration:</b> |                                           |                                             |
| Salaries and other emoluments                                         | 1,286                                     | 311                                         |
| Pension scheme contributions                                          | -                                         | -                                           |
|                                                                       | <u>1,286</u>                              | <u>311</u>                                  |

Certain Executive Directors are also Directors of other group companies. It is not practicable to allocate their total remuneration between their services as executives to this company or other group companies, and no such allocation has been attempted.

**6. Income from investments**

|                                                   | year ended<br>31 December<br>2021<br>£000 | period ended<br>31 December<br>2020<br>£000 |
|---------------------------------------------------|-------------------------------------------|---------------------------------------------|
| <b>Allocation of profits from related parties</b> |                                           |                                             |
| Smith & Williamson Investment Management LLP      | <u>9,287</u>                              | <u>36,225</u>                               |

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**SMITH & WILLIAMSON I M LIMITED**

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**7. Taxation**

|                                                         | year ended<br>31 December<br>2021<br>£000 | period ended<br>31 December<br>2020<br>£000 |
|---------------------------------------------------------|-------------------------------------------|---------------------------------------------|
| <b>Corporation tax</b>                                  |                                           |                                             |
| Current tax on profits for the year/period              | 6,328                                     | 2,382                                       |
| Adjustments in respect of previous periods              | (494)                                     | (201)                                       |
| <b>Total current tax</b>                                | <u>5,834</u>                              | <u>2,181</u>                                |
| <b>Deferred tax</b>                                     |                                           |                                             |
| Deferred tax (see note 12)                              | (6,498)                                   | (1,317)                                     |
| <b>Total deferred tax</b>                               | <u>(6,498)</u>                            | <u>(1,317)</u>                              |
| <b>Taxation on (loss)/profit on ordinary activities</b> | <u>(664)</u>                              | <u>864</u>                                  |

**Factors affecting tax charge for the year/period**

The tax assessed for the year/period is lower than (2020 - lower than) the standard rate of corporation tax in the UK of 19% (2020 - 19%). The differences are explained below:

|                                                                                                            | year ended<br>31 December<br>2021<br>£000 | period ended<br>31 December<br>2020<br>£000 |
|------------------------------------------------------------------------------------------------------------|-------------------------------------------|---------------------------------------------|
| Profit on ordinary activities before tax                                                                   | <u>9,287</u>                              | <u>36,223</u>                               |
| Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2020 - 19%) | 1,765                                     | 6,882                                       |
| <b>Effects of:</b>                                                                                         |                                           |                                             |
| Tax on unallocated profit from Smith & Williamson Investment Management LLP                                | (1,318)                                   | (5,817)                                     |
| Adjustments to tax charge in respect of prior periods                                                      | -                                         | (201)                                       |
| Adjustment in respect of rate change                                                                       | (1,111)                                   | -                                           |
| <b>Total tax charge for the year/period</b>                                                                | <u>(664)</u>                              | <u>864</u>                                  |

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**SMITH & WILLIAMSON I M LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
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**8. Investments**

|                          | Investments in<br>subsidiary<br>companies<br>£000 |
|--------------------------|---------------------------------------------------|
| <b>Cost or valuation</b> |                                                   |
| At 1 January 2021        | 34,138                                            |
| Additions                | 1,412                                             |
| At 31 December 2021      | <u>35,550</u>                                     |

During the year, the company purchased £1,413,000 of B capital from individual members of Smith & Williamson Investment Management LLP.

**Subsidiary undertaking**

The following was a subsidiary undertaking of the Company:

| Name                                         | Registered office                | Class of<br>shares | Holding |
|----------------------------------------------|----------------------------------|--------------------|---------|
| Smith & Williamson Investment Management LLP | 25 Moorgate, London,<br>EC2R 6AY | Share units        | 84%     |

Smith & Williamson Investment Management LLP is a provider of investment management services. core service is discretionary private client investment management.

The carrying value of the investments and the aggregate of the share capital and reserves as at 31 December 2021 and the profit or loss for the year ended on that date for the subsidiary undertaking were as follows:

| Name                                         | Aggregate<br>of share<br>capital and<br>reserves<br>£000 | Profit<br>£000 | Carrying<br>value of<br>investment<br>£000 |
|----------------------------------------------|----------------------------------------------------------|----------------|--------------------------------------------|
| Smith & Williamson Investment Management LLP | 81,128                                                   | 33,553         | 35,550                                     |

**9. Debtors: Amounts falling due within one year**

|                                    | 2021<br>£000 | 2020<br>£000 |
|------------------------------------|--------------|--------------|
| Amounts owed by group undertakings | <u>-</u>     | <u>1,419</u> |

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SMITH & WILLIAMSON I M LIMITED

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10. Cash and cash equivalents

|                                      | 2021<br>£000 | 2020<br>£000 |
|--------------------------------------|--------------|--------------|
| Cash at bank and short term deposits | 69           | 94           |

11. Creditors: Amounts falling due within one year

|                                    | 2021<br>£000 | 2020<br>£000 |
|------------------------------------|--------------|--------------|
| Amounts owed to group undertakings | 8,273        | -            |
| Corporation tax                    | -            | 2,756        |
| Accruals and deferred income       | -            | 2            |
|                                    | 8,273        | 2,758        |

12. Deferred tax assets

|                             | 2021<br>£000 | 2020<br>£000 |
|-----------------------------|--------------|--------------|
| At beginning of year/period | 1,842        | 525          |
| Charged to profit or loss   | 6,498        | 1,317        |
| At end of year/period       | 8,340        | 1,842        |

The deferred tax balance is made up as follows:

|                                             | 2021<br>£000 | 2020<br>£000 |
|---------------------------------------------|--------------|--------------|
| Allocation of profits from related parties. | 8,340        | 1,842        |
|                                             | 8,340        | 1,842        |

13. Called up share capital

|                                            | 2021<br>£ | 2020<br>£ |
|--------------------------------------------|-----------|-----------|
| Issued, allotted, called up and fully paid |           |           |
| 1 (2020 - 1) Ordinary shares of £1 each    | 1         | 1         |

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**SMITH & WILLIAMSON I M LIMITED**

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**14. Related party transactions**

The Company has taken advantage of the exemption in FRS 101 "Reduced Disclosures Framework" from the requirement to disclose transactions with group companies on the grounds that it is 100% owned by Tilney Smith & Williamson Limited.

**15. Post balance sheet events**

There have been no material post balance sheet events requiring disclosure prior to the date of signing this report.

**16. Controlling party**

As at 31 December 2021, the Company's immediate parent undertaking is Smith & Williamson Holdings Limited, a company incorporated in the United Kingdom.

The Directors consider the ultimate parent company and ultimate controlling party to be Platinum L.P. Guernsey Limited, a company incorporated in Guernsey.

Symmetry Topco Guernsey Limited is the parent undertaking of the largest group for which consolidated financial statements are prepared.

Tilney Smith & Williamson Limited is the parent undertaking of the smallest group for which consolidated financial statements are prepared. The registered address for Tilney Smith & Williamson Limited is 6 Chesterfield Gardens, Mayfair, London, W1J 5BQ. Copies of the group accounts of that company are available from the Registrar of Companies, Companies House, Crown Way, Maindy, Cardiff, CF14 3UZ.