Premier

Pillar 3 Disclosures

As at 30th September 2019

Contents

1. Overview

1.1 Introduction

The European Union has established a framework governing the amount and nature of capital that investment firms must maintain. The Directive, commonly known as the Capital Requirements Directive IV ('CRD IV'), is directly binding on firms in the UK. The regulations associated with it are the Capital Requirements Regulation ('CRR'), and the UK Financial Conduct Authority ('FCA') Prudential sourcebook for investment firms ('IFPRU').

The framework consists of three 'pillars':

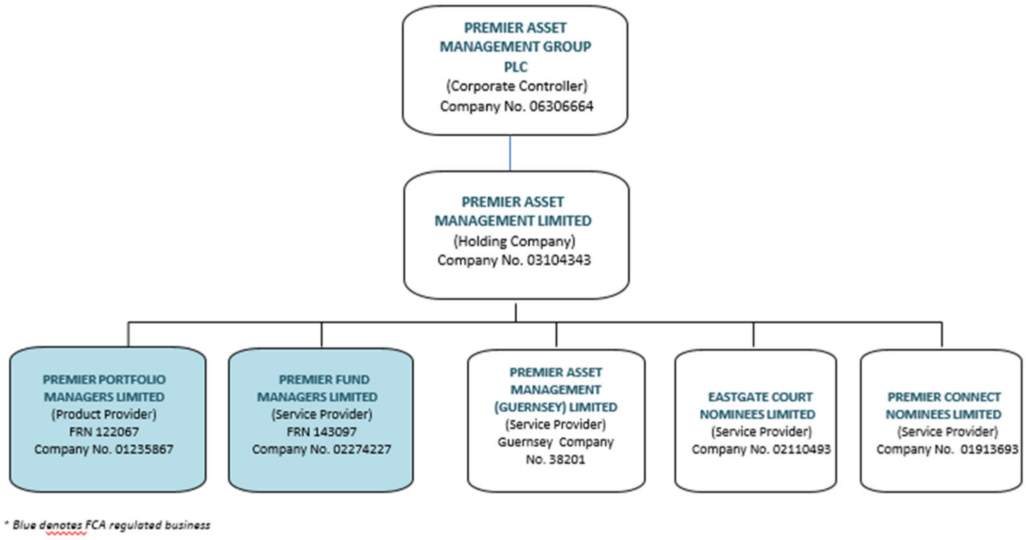
- Pillar 1 sets out a rule-based minimum regulatory capital comprising base capital resources requirements, credit risk and market risk capital requirements, and the fixed overhead requirement.
- Pillar 2 requires firms to undertake an internal assessment of their capital requirements taking into account all risks which the firm is exposed to and determining if additional capital should be held against risks not covered by Pillar 1. This assessment is achieved through the firm's Internal Capital Adequacy Assessment Process 'ICAAP'.
- Pillar 3 requires public disclosure of information relating to a firm's capital, remuneration policy, risk exposures and management practice and is designed to improve market discipline through enhanced disclosures.

This document provides the Pillar III disclosures for Premier Asset Management Group Limited and all of its subsidiaries ('Premier') in particular the regulated entities, Premier Portfolio Managers Limited ('PPM') and Premier Fund Managers Limited ('PFM'). It provides information on capital held, risk exposures, risk assessment processes and the firm's capital adequacy.

The rules provide that a firm is not required to disclose information which is not material or which is considered to be proprietary or confidential.

1.2 Premier structure

Premier is an investment management firm based in the UK with 100 employees. The Premier group structure (excluding subsidiaries which are dormant for accounting purposes) is as follows:



Premier is regulated by the FCA and acts for its clients in a fiduciary capacity. It does not engage in proprietary trading activities that could conflict with the interests of its clients.

The two main operating companies are PFM and PPM, both are authorised and regulated by the FCA. PFM operates principally to provide investment management services and PPM acts as an authorised fund manager to open ended collective investment schemes. For regulatory purposes both PFM and PPM are IFPRU Investment Firms, while PFM is also an IFPRU €125,000 firm and PPM is a Collective Portfolio Management Investment Firm and an external managing Alternative Investment Management Firm.

Numerical Pillar III disclosures are shown in this document on a group consolidated basis.

1.3 Frequency, Media and Location of Disclosure

Premier publishes its Pillar 3 information annually on the Premier website (www.premierfunds.co.uk in the section ‘About Us’). The firm will publish information more frequently if deemed necessary due to changes in the characteristics of the business including material changes in capital adequacy or risk exposures.

These Pillar III disclosures are based on information as at 30th September 2019, Premier’s financial year end, but they are not audited and do not form part of the financial statements. They have been compiled to explain the basis of preparation and disclosure of certain specified capital requirements and to provide details of the management of certain risks and for no other purposes.

The disclosures have been approved by the Board of Directors of Premier Asset Management Group PLC and the Boards of the regulated entities, PFM and PPM.

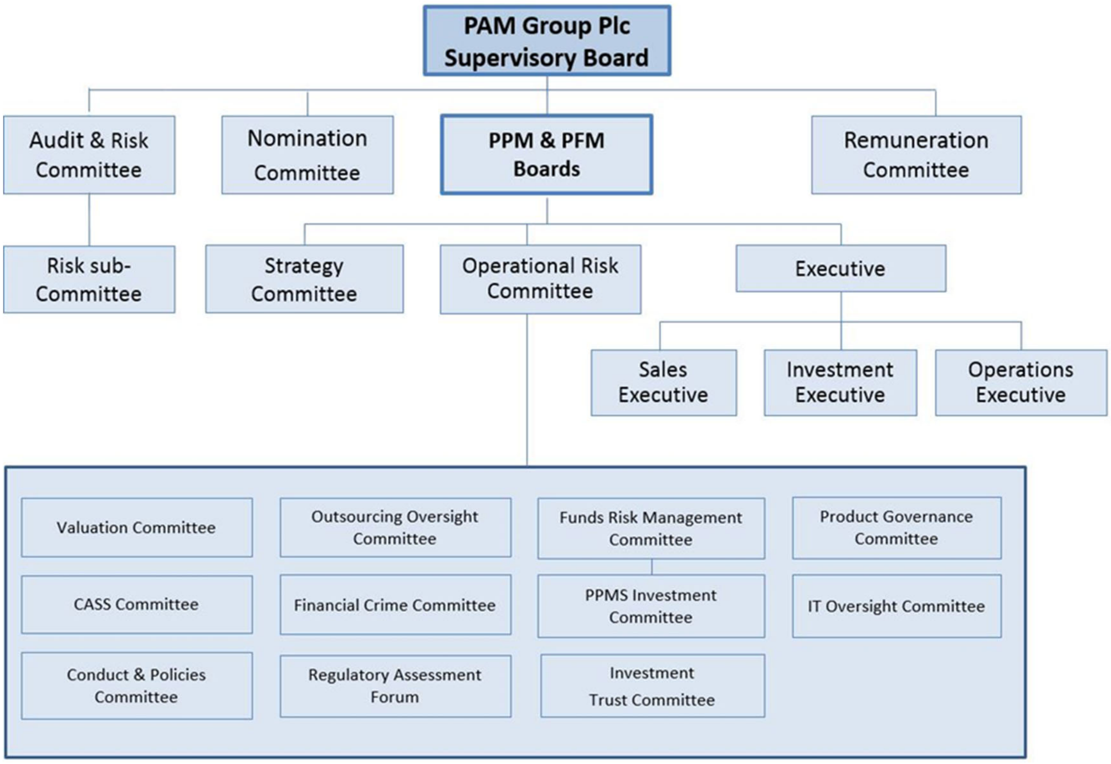
Disclosures required under CRR on remuneration policy, number of directorships held by members of the Supervisory Board, governance arrangements surrounding recruitment policy and the group’s policy on diversity can be found separately on the Premier website.

2. Risk Governance at Premier

The Supervisory Board of PAM Group plc is the body with ultimate responsibility for the management of the business. The Supervisory Board consists of two executive directors and four non-executive directors, one of whom acts as Non-Executive Chairman.

2.1 Governance Committees

Premier has a comprehensive structure of governance committee's which review, challenge and report risk information to the Supervisory Board.



Details of the role of the key risk committees are as follows:

Supervisory Board of Premier Asset Management Group Plc
The Supervisory Board assesses and periodically reviews the effectiveness of the policies, arrangements and procedures put in place to manage Premier's risk appetite, ensure compliance with changing regulatory best practices and takes appropriate measures to address any deficiencies. To enable it to carry out its regulatory responsibilities the Supervisory Board receives regular written reports, inter alia, covering: compliance; finance; investments; operations; risk control; and sales. The Supervisory Board undertakes an annual review and challenge of the ICAAP and approves the ICAAP documentation following its approval by the Operational Risk Committee, regulated firm boards and the Risk sub-committee. The Supervisory Board delegates some of its supervisory functions to a number of committees. During the financial year 2018/19 the Board held 4 regular oversight meetings.

Remuneration Committee
Information on the role of the Remuneration Committee is disclosed in the Annual report and financial statements.

Audit and Risk Committee
The Audit and Risk Committee provides a link between the Premier management and the external auditors. It considers matters relating to the external audit and any major findings of internal investigations and management responses. The Audit and Risk Committee meets at least annually and consists of the four Non-Executive directors of Premier Asset Management Group Plc. During the financial year 2018/19 the committee held 3 regular oversight meetings.

Risk sub-committee
The Risk Sub-Committee's role is to advise the Supervisory Board on the Group's overall risk appetite, tolerance and strategy. It is also tasked with keeping under review the effectiveness of the Group's financial controls, internal controls and risk management systems, and it reviews and approves the statements to be included in the annual report concerning internal controls, risk management and the ICAAP. The committee is chaired by a NED and is a sub-committee of, and reports to, the Audit & Risk Committee. It has not less than three meetings during each financial year. During the financial year 2018-2019, the Risk sub-Committee met four times.

PFM and PPM Boards
The Boards meet quarterly and are responsible for dealing with: budgeting and management accounts; business continuity and planning; compliance monitoring; financial resources; investment performance; financial crime and money laundering; risk management; sales data; systems and controls; treating customer fairly; and other regulatory matters.
The Boards use the reports provided for the above subjects to identify new and/or emerging risks and satisfy themselves as to whether these are being appropriately managed and within the risk appetite of the business. The Board reviews the provisions of the ICAAP, the external factors which may impact it and the firms' capital requirements. They receive a report of the detailed review of the analysis of the operational risk scenarios, stress testing and reverse stress testing from the Operational Risk Committee.

Executive Committee
The Executive Committee meets fortnightly and has executive responsibility for running the business and for developing corporate strategy. Its main purpose is to review management issues including risk issues which arise during the day to day management of the business and to provide updates on projects and developments to the Management Board.

Operational Risk Committee
The Operational Risk Committee considers all areas of operational and liquidity risk within the group. It receives regular reports from all risk management and client services committees on the status of processes, any incidents which have occurred or new risks identified. It oversees stress testing of business processes considering any loss experience; ensures business continuity plans and testing are sufficient; and identifies key specific risks. The committee receives the draft ICAAP document for consideration and challenge, is involved in setting the risk appetite, allocates capital charges to specific risks and more generally ensures that the group has a strong and compliant culture. The committee meets quarterly and provides reports to the Premier Audit & Risk Committee and to the PFM and PPM Boards as appropriate.

3. Risk Identification, Assessment and Management

Premier has a comprehensive and documented Risk Management Framework, covering all areas of the business and incorporating risk identification, measurement, monitoring, risk systems and reporting. It is overseen and approved by the relevant Boards and Committees. Risk identification is initiated both with a top down process (starting with the definition of the Risk Universe and Risk Appetite) and bottom up (starting with operational risk incident logs and potential risks identified by the departments).

3.1 Risk Universe and Appetite

Risk Universe
Premier's risk universe comprises the high level risk categories which it has identified the firm as being exposed to as it pursues its business strategy. The key strategic objectives drive the risks which Premier is willing to expose itself to in order to meet its objectives. Premier has documented its risk universe.

Risk Appetite
Risk appetite is the degree of risk that senior management are willing to accept in pursuit of business objectives without applying further resources to mitigate the risk. Premier has agreed a risk appetite for each of the key risks that it has identified. The risk appetite and its supporting statement, key risk indicators and tolerance levels are defined, approved and monitored by senior management using a dashboard process.

3.2 Risk Management Framework

The Risk Management Framework outlines the policies, systems, processes and controls in place to identify, monitor, report on and manage risks across the Premier Group and the funds it manages. This is a high level framework of which the below frameworks and policies form part.

Liquidity Risk Management Framework
The Liquidity Risk Management Framework addresses the systems and processes surrounding the monitoring and management of the asset liability profile of PFM, PPM and the Premier group of companies, with a focus on the monitoring of projected cash flows.

Funds Risk Management Policy and Derivatives Risk Management Policy
The Funds Risk Management Policy and the Derivatives Risk Management Policy address the processes, systems and controls surrounding the management of business, operational and regulatory risk arising from the Premier funds. These policies incorporate a series of limits specified for each fund to facilitate the monitoring of risk.

Operational Risk Management Framework
The Operational Risk Management Framework documents the risk appetite of the regulated firms and outlines the processes, systems, controls and reporting in place to identify, measure and manage operational risks across the Premier group of companies and funds.

Financial Crime Framework
The Financial Crime Framework is overseen by the Money Laundering Reporting Officer and Financial Crime Committee. It includes a suite of policies covering, inter alia, anti-bribery and corruption, anti-fraud, ethical and professional conduct, data security and anti-money laundering. The risks are monitored under the Compliance Monitoring Programme.

There are regular reviews of the findings of the monitoring programmes to ensure that new risks identified are correctly logged and addressed and monitoring resources are allocated efficiently.

3.3 Key Risks

Credit/Counterparty Risk
Credit risk is defined as the risk of loss caused by the failure of a counterparty to perform its contractual obligations. The main source of credit risk for Premier is the firm's cash deposits held with a major UK bank. A credit analysis based on the audited account of the bank is carried out on an annual basis with the results presented to the PFM and PPM Boards. Credit risk also arises from the fee income received regularly from the collective investment schemes managed by Premier and in relation to any prepayments made. Finally, Premier holds investments in its own CIS in relation to deferred payments due to staff. The Group Finance Director and Financial Controller monitor and manage credit exposures on a daily basis. Diversification is used to reduce credit risk to a single counterparty.

Market Risk
Market risk arises from losses in on- and off- balance sheet positions arising from adverse movements in market prices.

- **Interest rate risk in the non-trading book**
  Premier has limited exposure to interest rate risk as it does not have any borrowings on which interest is paid.
- **Trading book position risk**
  Premier does not undertake proprietary trading and does not have a trading book.
- **Foreign Exchange risk**
  Foreign exchange risk arises from time to time throughout the year as payments for services denominated in USD arise.

Due to the low level of market risk to which Premier is directly exposed, no specific hedging or other mitigation techniques are applied.

Liquidity Risk
Premier plans its business to ensure that it does not run a negative maturity mismatch between assets and liabilities.

Leverage risk
As of 30 September 2019 Premier had no outstanding borrowings.

Operational Risk
Operational risk is defined as the risk of loss resulting from inadequate or failed internal processes, or people and systems or from external events. In line with most asset management firms which do not conduct any proprietary trading, Premier is primarily exposed to operational risk. The Premier operating model requires it to take a degree of operational risk across all business areas. Risks include those arising from the processing of

significant volumes of transactions by outsourced administrators on its behalf and the fiduciary duties arising from the management of the funds and portfolio management services in line with their published mandates.

Heads of departments identify key operational risks and construct scenarios for their area around them. Scenarios are then subject to discussion and challenge by subject matter experts and the members of the relevant committees and/or boards. Premier applies loss event type classifications to assist in identifying key operational risks. Individual risks are quantified and aggregated without any correlation offsets or diversification benefits. The results are then analysed and challenged in order for the Supervisory Board to decide on the appropriate level of operational risk capital to hold.

Reputational risk
Premier is heavily reliant upon its reputation for providing good performance outcomes for its clients and competent administrative processes.

3.4 Risk and Information Services Department

Premier maintains a permanent risk management function, the 'Risk & Information Services Department'. The department is managed by the Chief Risk Officer (CRO) and reports to the Chief Operating Officer (COO). The CRO and the COO are members of the Board of both PFM and PPM. The Risk team has responsibility for:

- Drafting and maintaining the Risk Management Framework, risk policies and procedures;
- Drafting the Internal Capital Adequacy Assessment document and its associated policies and disclosures;
- Oversight of compliance with risk policies;
- Ensuring that risk systems are adequate;
- Monitoring, oversight and reporting on operational and business risks arising from the Premier group of companies;
- Monitoring of market, credit, liquidity and operational risks arising from the collective investment schemes and portfolio management services managed by Premier and/or for which Premier holds Authorised Corporate Director responsibility.

3.5 Supervisory Board declaration on the adequacy of the risk management arrangement

The Supervisory Board is responsible for the effectiveness of Premier's risk management arrangements and has implemented an appropriate governance and risk management structure. This is designed to determine what risks Premier is willing to take and to manage those risks appropriately.

The Supervisory Board considers that it has in place adequate risk management arrangements with regard to Premier's risk tolerance and strategy.

4. Own Funds

Common Equity Tier 1 capital consists of permanent share capital, share premium, profit and loss and other reserves. Premier only has one class of ordinary share capital; full details on share capital are provided in appendix 1. The deductions to tier one capital consist of intangible assets and goodwill primarily relating to the acquisition of collective investment schemes. A summary of the companies' capital as at 30 September 2019 is shown in the table below. A more detailed own funds disclosure is provided in appendix 2, together with a reconciliation to the balance sheet from the latest audited financial statements in appendix 3.

Common Equity Tier 1 Capital £000		
Capital instrument and related share premium accounts		50
Retained earnings		44,691
	Previous years audited profits	*44,733*
	Share based payments through reserves	*2,551*
	Independently reviewed interim profits	*8,025*
	Dividends paid during year	- *10,618*
Capital redemption reserve		4,532
Common Equity Tier 1 capital before regulatory adjustments		**49,273**
Regulatory adjustments		
	Intangible assets	- *11,957*
	Goodwill	- *15,597*
	Treasury shares	- *6,944*
Common Equity Tier 1 (CET1) capital		**14,775**

Premier views capital resources as adequate if they exceed the capital requirements as calculated under Pillar I and Pillar II.

Transferability of Resources

Premier maintains transferability of resources between group companies, with the limiting factors being the requirement to maintain sufficient regulatory capital in the regulated entities and the statutory accounting limitations on reserve distribution. There are no current or foreseen practical or legal impediments to the prompt transfer of funds among the Premier companies other than the UK Companies Act requirements in respect of declaration and payment of dividends. Surplus distributable reserves are released by dividend payments up the chain of ownership to Premier Asset Management Group Plc. Conversely, in the event of an anticipated shortage of capital in a particular entity, there are no anticipated impediments to prevent re-capitalisation from the parent entity.

5. Capital Adequacy

It is Premier policy that the combined group and all regulated entities maintain sufficient capital to meet their capital resource requirements and ongoing working capital requirements. Premiers regulatory capital is calculated as the highest of the Pillar I capital requirement, the Pillar II capital requirement and the wind-down cost. The last being the estimated cost of an orderly wind down of the business.

Pillar I

The Pillar I capital requirement is calculated as the higher of the fixed overhead requirement and the sum of the market and credit risk requirements. The fixed overhead requirement is calculated as one quarter of the fixed overhead costs of the preceding year.

The standardised approach is used to calculate credit risk, whereby credit risk exposures are converted into risk weighted assets (RWA) by applying the risk weight prescribed by CRR for the asset class. Credit risk capital requirements for significant asset classes are outlined in the table below. Premier does not use an External Credit Assessment Institution to assign a credit risk weight and no credit risk mitigation techniques have been employed. It has had no past due or impaired credit exposures during the financial year, nor has it made any specific or general credit risk adjustments or applied any accounting offsets to credit risk. The Pillar I minimum credit risk capital requirement is assessed at 8% of RWA.

As at 30 September 2019, Premier had an exposure to foreign exchange market risk arising from a service payable in USD.

	Premier Pillar I calculation	**£'000**
A	Credit Risk: institutions	328
	corporates	557
	collective investment undertakings	15
	other items	10
B	Market Risk	83
C	Fixed Overhead Requirement	4,666
	Pillar I Capital Requirement (higher of (A+B) or C)	4,666

As at 30 September 2019, the capital requirement for Premier under Pillar I was the Fixed Overhead Requirement. The CET1 Capital Ratio was 25.33%.

Premier is not required to calculate an operational risk requirement under Pillar I but makes an assessment of operational risk under Pillar II.

Pillar II

In addition to the Pillar I calculations, Premier undertakes a Pillar II assessment which includes the following:

- Consideration of the adequacy of the credit and market risk requirements with reference to all relevant balance sheet items in order to ascertain if there are additional risks that are not covered by Pillar I
- An assessment of operational risks using a scenario analysis process. The potential capital requirements identified for the individual key risk scenarios are summed with no diversification benefit to generate an operational risk requirement.
- The overall Pillar II capital adequacy is calculated by summing the resulting requirement for credit risk, market risk and operational risk.

Finally, Premier calculates the absolute impact of a number of severe stress scenarios (including a combination of negative events and severe market downturn) and business wind-down scenarios under both normal and stressed market conditions in relation to financial forecasts of the business over a three year period and uses the results to assess the potential impact on capital. These tests are carried out at a consolidated group level but there is also consideration of the on-going regulatory capital requirements of PFM and PPM. If the Pillar II assessment is higher than the Pillar I requirement, the firm holds additional capital.

The level of the Pillar II assessment is outside the scope of this disclosure document.

Appendix 1.

Core Tier 1 Share Capital	Ordinary shares	Deferred Share
Issuer	Premier Asset Management Group Plc	Premier Asset Management Group Plc
Unique Identifier	ISIN GB00BZB2KR63	Private placement
Governing laws of the instrument	UK	UK
Regulatory treatment		
Transitional CRR rules	Common Equity Tier 1	Common Equity Tier 1
Post-transitional CRR rules	Common Equity Tier 1	Common Equity Tier 1
Eligible at solo/(sub)-consolidated /solo & (sub)-consolidated	Consolidated	Consolidated
Instrument type (types to be specified by each jurisdiction	Ordinary shares	Deferred Share
Amount recognised in regulatory capital (currency in million, as of most recent reporting date)	£21,160.12	£28,839.74
Nominal amount of instrument	0.02 pence	£28,839.74
Issue Price	various	£28,839.74
Redemption price	N/A	N/A
Accounting classification	Ordinary shares	Deferred Share
Original date of issuance	7 October 2016	February 2018
Perpetual or dated	Perpetual	Perpetual
Original maturity date	N/A	N/A
Issuer call subject to prior supervisory approval	N/A	N/A
Optional call date, contingent call dates and redemption amount	N/A	N/A
Subsequent call dates, if applicable	N/A	N/A
Coupons/dividends		
Fixed or floating	Floating	N/A
Coupon rate and any related index	N/A	N/A
Existence of a dividend stopper	N/A	N/A
Fully discretionary, partially discretionary or mandatory (in terms or timings)	Fully discretionary	N/A
Fully discretionary, partially discretionary or mandatory (in terms or amount)	Fully discretionary	N/A
Existence of step up or other incentive to redeem	No	N/A
Noncumulative or cumulative	Noncumulative	N/A
Convertible or non-convertible	Non-convertible	N/A
If convertible. Conversion triggers	N/A	N/A
If convertible, fully or partially	N/A	N/A
If convertible, conversion rate	N/A	N/A
If convertible, mandatory or optional	N/A	N/A
If convertible, specify instrument type convertible ratio	N/A	N/A
If convertible, specify issuer or instrument it converts to	N/A	N/A
Write-down features	N/A	N/A
If write-down, full or partial	N/A	N/A
If write-down, permanent or temporary	N/A	N/A
If temporary write-down, description of write up mechanisms	N/A	N/A
Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	N/A	N/A
Non-compliant transitioned features	N/A	N/A
If yes, specify non-compliant features	N/A	N/A

Appendix 2.

	OWN FUNDS TEMPLATE	Amount in own funds £000	Ref to balance sheet	Regulation
	Common Equity Tier 1 (CET1) Capital			
1	Capital instruments and related share premium accounts	50		26 (1), 27, 28, 29, EBA List 26 (3)
	Of which: Instruments type 1	50	a	EBA List 26 (3)
	Of which: Instruments type 2	-		EBA List 26 (3)
	Of which: Instruments type 3	-		EBA List 26 (3)
2	Retained earnings	47,285	b	26 (1) c
3	Accumulated other comprehensive income (and other reserves, to include unrealised gains and losses under the applicable accounting standards)	4,533	c	26 (1)
3a	Funds for general banking risk	-		26 (1) f
4	Amount of qualifying items referred to in Article 484 (3) and the related share premium accounts subject to phase out from CET 1	-		486 (2)
	Public sector capital injections grandfathered until January 2018	-		483 (2)
5	Minority interest (amount allowed in consolidated CET1)	-		84, 479, 480
5a	Independently reviewed interim profits net of any foreseeable charge or dividend	-2,594		26 (2)
6	**Common Equity Tier 1 (CET1) capital before regulatory adjustments**	**49,273**		Sum of rows 1 to 5a
	Common Equity Tier 1 capital: regulatory adjustments			
7	Additional value adjustments (negative amount)	-		34, 105
8	Intangible assets (net of related tax liability) (negative amount)	(27,555)	d	36 (1) (b), 37, 472 (4)
10	Deferred tax assets that rely on future profitability excluding those that arise from temporary differences (net of related tax liability where the conditions in Article 38 (3) are met) (negative amount)	-		36 (1) (c), 38, 472 (5)
11	Fair value reserves related to gains or losses on cash flow hedges	-		33 (a)
12	Negative amount resulting from the calculation of expected loss amounts	-		36 (1) (d), 40, 159, 472 (6)
13	Any increase in equity resulting from securitised assets (negative amounts)	-		32 (1)
14	Gains or losses on liabilities valued at fair value resulting from changes in own credit standing	-		33 (b)
15	Defined benefit pension fund assets (negative amount)	-		36 (1) (e), 41, 472 (7)
16	Direct and indirect holdings by an institution of own CET1 instruments (negative amount)	(6,944)	e	36 (1) (f), 42, 472 (8)
17	Holdings of CET1 instruments of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (negative amount)	-		36 (1) (g), 44, 472 (9)
18	Direct and indirect holdings of CET1 instruments of financial sector entities where the institution does not have a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)	-		36 (1) (h), 43, 45, 46, 49 (2) (3), 79, 472 (10)
19	Direct, indirect and synthetic holdings of CET1 instruments of financial sector entities where the institution has a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)	-		36 (1) (i), 43, 45, 47 48 (1) (b), 49 (1) to (79, 470, 472 (11)
20a	Exposure amount of the following items which qualify for a RW of 1250% where the institution opts for the deduction alternative	-		36 (1) (k)
20b	of which: qualifying holdings outside the financial sector (negative amount)	-		36 (1) (k) (i), 89 to 91
20c	of which: securitisation positions (negative amount)	-		36 (1) (k) (ii), 243 (1 (b), 244 (1) (b), 258
20d	of which: free deliveries (negative amount)	-		36 (1) (k) (iii), 379 (3)
21	Deferred tax asset arising from temporary differences (amount above 10% threshold, net of related tax liability where the conditions in article 38 (3) are met) (negative amount)	-		36 (1) (c), 38, 48 (1 (a), 470, 472 (5)
22	Amount exceeding 15% threshold (negative amount)	-		48 (1)
23	of which: direct and indirect holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities	-		36 (1) (i), 48 (1) (b), 4 472 (11)
25	of which: deferred tax assets arising from temporary differences	-		36 (1) (c), 38, 48 (1 (a), 470, 472 (5)
25a	Losses for the current financial year (negative amount)	-		36 (1) (a), 472 (3)
25b	Foreseeable tax charge relating to CET1 items (negative amount)	-		36 (1) (l)
26	Regulatory adjustments applied to Common Equity Tier 1 in respect of amounts subject to pre-CRR treatment	-		
26a	Regulatory adjustments relating to unrealised gains and losses pursuant to Article 467 and 468	-		
	Of which: filter for unrealised loss 1	-		467
	Of which: filter for unrealised loss 2	-		467
	Of which: filter for unrealised gain 1	-		468
	Of which: filter for unrealised gain 2	-		468
26b	Amount to be deducted or added to Common Equity Tier 1 capital with regard to additional filters and deductions required pre CRR	-		481
27	Qualifying AT1 deductions that exceed the AT1 capital of the institutions (negative amount)	-		36 (1) (j)
28	**Total regulatory adjustments to Common Equity Tier 1 (CET1)**	**(34,499)**		Sum of rows 7 to 20a, 22 and 25a to 27
29	**Common Equity Tier 1 (CET1) capital**	**14,775**		Row 6 minus row 2
	Additional Tier 1 (AT1) capital: instruments			
30	Capital instruments and related share premium accounts	-		51, 52
31	of which: classified as equity under applicable accounting standards	-		
32	of which: classified as liabilities under applicable accounting standards	-		
33	Amount of qualifying items referred to in Article 484 (4) and the related share premium accounts subject to phase out from AT1	-		486 (3)
	Public sector capital injections grandfathered until 1 January 2018	-		486 (3)
34	Qualifying Tier 1 capital included in consolidated AT1 capital (including minority interest not included in row 5) issued by subsidiaries and held by third parties	-		85, 86, 480
35	of which: instruments issued by subsidiaries subject to phase out agreements	-		486 (3)
36	**Additional Tier 1 (AT1) capital before regulatory adjustments**	-		Sum of rows 30, 33 an
	Additional Tier 1 (AT1) capital: regulatory adjustments			
37	Direct and indirect holdings by an institution of own AT1 instruments (negative amount)	-		52 (1) (b), 56 (a), 57 475 (2)
38	Holdings of AT1 instruments of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (negative amount)	-		56 (b), 58, 475 (3)

39	Direct and Indirect holdings of AT1 instruments of financial sector entities where the institution does not have a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)	-		56 (c), 59, 60, 79, 475
40	Direct and Indirect holdings of AT1 instruments of financial sector entities where the institution has a significant investment in those entities (amount above 10% threshold net of eligible short positions) (negative amount)	-		56 (d), 59, 79, 475 (4)
41	Regulatory adjustments applied to additional Tier 1 capital in respect of amounts subject to pre-CRR treatment and transitional treatments subject to phase out as prescribed in Regulation (EU) 575/2013 (i.e. CRR residual amounts)	-		
41a	Residual amounts deducted from Additional Tier 1 capital with regard to deduction from Common Equity Tier 1 capital during the transitional period pursuant to article 472 of Regulation (EU) 575/2013	-		472, 472(3)(a), 472 (472 (6), 472 (8)(a), 472 ((10), 472 (11)(a)
	Of which: items to be detailed line by line e.g. material net interim losses, intangibles, shortfall of provisions to expected losses etc.	-		
41b	Residual amounts deducted from Additional Tier 1 capital with regard to deduction from Tier 2 capital during the transitional period pursuant to article 475 of Regulation (EU) 575/2013	-		477, 477 (3), 477 (4)
	Of which: items to be detailed line by line e.g. reciprocal cross holdings in Tier 2 instruments, direct holdings of non- significant investments in the capital of other financial sector entities, etc	-		
41c	Amount to be deducted from or added to Additional Tier 1 capital with regard to additional filters and deductions required pre-CRR	-		467, 468, 481
	Of which: possible filter for unrealised losses	-		467
	Of which: possible filter for unrealised gains	-		468
42	Qualifying T2 deductions that exceed the T2 capital of the institutions (negative amount)	-		56 (e)
43	**Total regulatory adjustments to Additional Tier 1 (AT1) capital**	**-**		Sum of rows 37 to 42
44	**Additional Tier 1 (AT1) capital**			Row 36 minus row 4
45	**Tier 1 capital (T1 = CET1 + AT1)**	**14,775**		Sum of row 29 and rov
	Tier 2 (T2) capital: instruments and provisions			
46	Capital instruments and related share premium accounts	-		62, 63
47	Amount of qualifying items referred to in Article 484 (5) and the related share premium accounts subject to phase out from T2	-		486 (4)
	Public sector capital injections grandfathered until 1 January 2018	-		483 (4)
48	Qualifying own funds instruments included in consolidated T2 capital (including minority interests and AT1 instruments not included in rows 5 or 34) issued by subsidiaries and held by third parties	-		87, 88, 480
49	of which: instruments issued by subsidiaries subject to phase out	-		486 (4)
50	Credit risk adjustments	-		62 (c) and (d)
51	**Tier 2 (T2) capital before regulatory adjustments**	**-**		Sum of rows 46 to 50
	Tier 2 (T2) capital: regulatory adjustments			
52	Direct and indirect holdings by an institution of own T2 instruments and subordinated loans (negative amount)	-		63 (b) (i), 66 (a), 67, 47
53	Holdings of T2 instruments and subordinated loans of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (negative amount)	-		66 (b), 68, 477 (3)
54	Direct and Indirect holdings of T2 instruments and subordinated loans of financial sector entities where the institution does not have a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)	-		66 (c), 69, 70, 79, 477
54a	Of which new holdings not subject to transitional arrangements	-		
54b	Of which holdings existed before 1 January 2013 and subject to transitional arrangements	-		
55	Direct and indirect holdings of T2 instruments and subordinated debt of financial sector entities where with the institution has a significant investment in those entities (net of eligible short positions) (negative amount)	-		66 (d), 69, 79, 477 (4)
56	Regulatory adjustments applied to tier 2 in respect of amounts subject to pre- CRR treatment and transitional treatments subject to phase out as prescribed in Regulation (EU) 575/2013 (i.e. CRR residual amounts)	-		
56a	Residual amounts deducted from Tier 2 capital with regard to deduction from Common Equity Tier 1 capital during the transitional period pursuant to article 472 of Regulation (EU) 575/2013	-		472, 472(3)(a), 472(472(6), 472(8)(a), 472 472(10), 472(11)(a
	Of which: items to be detailed line by line e.g. material net interim losses, intangibles, shortfall of provisions to expected losses etc.	-		
56b	Residual amounts deducted from Tier 2 capital with regard to deduction from Additional Tier 1 capital during the transitional period pursuant to article 475 of Regulation (EU) 575/2013	-		475, 475 (2), (a), 475 475 (4) (a)
	Of which items to be detailed line by line e.g. reciprocal cross holdings in AT1 instruments, direct holdings of non significant investments in the capital of other financial sector entities	-		
56c	Amount to be deducted from or added to Tier 2 capital with regard to additional filters and deductions required per CRR	-		467, 468, 481
	Of which: .. possible filter for unrealised losses	-		467
	Of which: ... possible filter for unrealised gains	-		468
57	**Total regulatory adjustments to Tier 2 (T2) capital**	**-**		Sum of rows 52 to 56
58	**Tier 2 (T2) capital**	**-**		Row 51 minus row 5
59	**Total capital (TC = T1 + T2)**	**14,775**		Sum of row 45 and rov
59a	Risk weighted assets in respect of amounts subject to pre-CRR treatment and transitional treatments subject of phase out as prescribed in Regulation (EU) No 575/2013 (i.e. CRR residual amounts)	-		
	Of which:.. Items not deducted from CET 1 (Regulation (EU) No 575/2013 residual amounts) Items to be detailed line by line e.g. deferred tax assets that rely on future profitability net of related tax liability, indirect holdings of own CET1, etc)	-		472, 472 (5), 472 (8) (b), 472 (10) (b), 472 (11) (b)
	Of which:.. items not deducted from AT1 items (Regulation (EU) No 575/2013 residual amounts) (items to be detailed line by line e.g. Reciprocal cross holdings in T2 instruments, direct holdings of non-significant investments in the capital of other financial sector entities, etc)	-		475, 475 (2) (b), 475 (c), 475 (4) (b)
	Of which:.. items not deducted from T2 items (Regulation (EU) No 575/2013 residual amounts) (items to be detailed line by line e.g. Indirect holdings of own T2 instruments, indirect holdings of non-significant investments in the capital of other financial sector entities, indirect holdings of significant investments in the capital of other financial sector entities, etc)	-		477, 477 (2) (b), 477 (c), 477 (4) (b)
60	**Total risk weighted assets**	**58,322**		
	Capital ratios and buffers			
61	Common Equity Tier 1 (as a percentage of risk exposure amount)	25.33%		92 (2) (a), 465
62	Tier 1 (as a percentage of risk exposure amount)	25.33%		92 (2) (b), 465
63	Total capital (as a percentage of risk exposure amount)	25.33%		92 (2) (c)
64	Institution specific buffer requirement (CET 1 requirement in accordance with article 92 (1) (a) plus capital conservation and countercyclical buffer requirements, plus systemic risk buffer, plus the systemically important intuition buffer (G-SII or O-SII buffer) expressed as a percentage of risk exposure amount)	-		CRD 128,129,130
65	Of which: capital conservation buffer requirement	-		
66	Of which: countercyclical buffer requirement	-		
67	Of which: systemic risk buffer requirement	-		
67(a)	Of which: Global Systemically Important Institution (G-SII) or Other Systemically Important Institution (O-SII)	-		CRD 131
68	Common Equity Tier 1 available to meet buffers (as a percentage of risk exposure amount)	-		CRD 128

	Amount below the threshold for deduction (before risk weighting)			
72	Direct and indirect holdings of capital of financial sector entities where the institution does not have a significant investment in those entities (amount below 10% threshold) and net of eligible short positions	-		36 (1) (h), 45, 46, 47 (10), 56 (c), 59, 60, 4 (4), 66 (c), 69, 70, 477
73	Direct and indirect holdings of CET1 instruments of financial sector entities where the institution has a significant investment in those entities (amount below 10% threshold and net of eligible short positions)	-		36 (1) (i), 45, 48, 47 472 (11)
75	Deferred tax assets arising from temporary differences (amount below 10% threshold, net of related tax liability where conditions in Article 38 (3) are met)	-		36 (1) (c), 38, 48, 470, 4
	Available caps on the inclusion of provisions in Tier 2			
76	Credit risk adjustments included in T2 in respect of exposures subject to the standardised approach (prior to application of the cap)	-		62
77	Cap on inclusion of credit risk adjustments in T2 under standardised approach	-		62
78	Credit risk adjustments included in T2 in respect of exposures subject to the internal ratings based approach (prior to application of cap)	-		62
79	Cap for inclusion of credit risk adjustments in T2 under internal ratings based approach	-		62
	Capital instruments subject to phase out arrangements (only applicable between January 2013 and January 2022)			
80	Current cap on CET1 instruments subject to phase out arrangements	-		484 (3), 486 (2) & (5
81	Amounts excluded from CET1 due to cap (excess over cap after redemptions and maturities)	-		484 (3), 486 (2) & (5
82	Current cap on AT1 instruments subject to phase out arrangements	-		484 (4), 486 (3) & (5
83	Amounts excluded from AT1 due to cap (excess over cap after redemptions and maturities)	-		484 (4), 486 (3) & (5
84	Current cap on T2 instruments subject to phase out arrangements	-		484 (5), 486 (4) & (5
85	Amounts excluded from T2 due to cap (excess over cap after redemptions and maturities)	-		484 (5), 486 (4) & (5

Balance sheet reconciliation as at 30 September 2019	Group balance sheet in the audited financial statements £000	Group own funds items £000	Reference to own funds	Comments
Assets				
Non Current Assets				
Intangible assets	11,957	27,555	d	Goodwill included in intangibles in the own funds format
Goodwill	15,597			
Property, plant and equipment	874			
Deferred tax asset	422			
Total non-current assets	**28,850**			
Current Assets				
Financial assets at fair value through p&l	827			
Trade and other receivables	48,763			
Cash and cash equivalents	20,689			
Total current assets	**70,279**			
Total Assets	**99,129**			
Equity and Liabilities				
Capital & reserves attributable to the equity holders				
Share capital	21	50	a	share capital and share premium are combined in the own funds format
Share premium	29			
Capital redemption reserve	4,532	4,533	c	
Treasury shares	-6,944	-6,944	e	
Retained earnings	46,685	47,285	b	
Total Equity	**44,323**			
Trade and other payables	52,997			
Current tax liabilities	1,809			
Total Current Liabilities	**54,806**			
Total Equity and liabilities	**99,129**			