

Company Registration No. 01802101

THISIS ASSET MANAGEMENT LIMITED

**Report and Financial Statements
30 April 2022**

THESIS ASSET MANAGEMENT LIMITED**Report and Financial Statements 30 April 2022****CONTENTS**

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THESIS ASSET MANAGEMENT LIMITED

**Report and Financial Statements 30 April 2022
Officers and Professional Advisers**

Directors

N C Palios
D W Tyerman
M J T Hoggarth
S R Mugford
D K Mytnik
V R Smith

Secretary

Irwin Mitchell Secretaries Limited

Registered Office

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Banker

Royal Bank of Scotland
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Solicitor

Irwin Mitchell LLP
Riverside East
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Auditor

Grant Thornton LLP
30 Finsbury Square
London
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THEISIS ASSET MANAGEMENT LIMITED

Strategic Report

The directors present the Strategic Report for the year ended 30 April 2022.

Principal Activities

Thesis Asset Management Limited ("Thesis") is authorised and regulated by the Financial Conduct Authority ("FCA") for the provision of investment management services.

The Company has two principal business lines.

- Thesis is appointed on discretionary fund management mandates by two professional clients, its sister entities Thesis Unit Trust Management Limited ("Tutman") and TUTMAN LLP ("LLP"). Thesis provides advice on asset allocation, stock selection and currency hedging on these mandates. The assets of the funds are held by the global custodian appointed by the fund depository.
- Thesis provides a custody and trade execution service for wealthy families and high net worth individuals, or their advisors. Client assets are registered in the name of a nominee company, Thesis Nominees Limited. Thesis has all the necessary permissions from its regulator for the safeguarding of such assets.

Thesis earns a significant majority of its turnover from ad valorem fees.

Fair Review of Performance

Events During the Year

During the year the Company made two important changes to its business. The Company held some of its client assets in the CREST system operated by Euroclear, in accounts held by one of two nominee companies. Access to CREST was facilitated by a third party under a sponsored member agreement. That third party gave notice at the start of the financial year that it intended to withdraw this service. After a review, the Company appointed a large custodian bank to hold these assets and the migration project concluded in February 2022.

In September 2021 the Company took the decision to wind down one of its two nominee companies, Thesis Guernsey Limited. Following the disposal of part of the business to Sanlam UK Limited in 2019, this operation was much reduced in scale. A number of the clients using that nominee were able to migrate to the onshore nominee company but the closure did result in the loss of 3 clients and £8m assets under management.

Results

The Company reported an operating loss from continuing operations for the year of £49,212 (2021: loss of £360,153). As at 30 April 2022, funds under management were £2.46bn compared to £2.34bn as at 30 April 2021.

Performance

Gross profit grew by 14.6% to £2,641,306 (2021: £2,305,601) as a result of the growth in funds under management. That growth reflects in particular a number of new fund management mandates received from Tutman.

The Company has reported an operating loss for three consecutive years. Over that period the Company has grown and has reduced significantly the size of the loss in each year. The Company expects this improvement to continue as new mandates are won and a full year's contribution is earned on the mandates added during the current year.

THEISIS ASSET MANAGEMENT LIMITED**Strategic Report (continued)****Fair Review of Performance (continued)***Key Performance Indicators*

The primary driver of growth for the business is its funds under management figure, as all revenue earned is calculated on an ad valorem basis. Growth in funds under management can be achieved both through additional investment received into existing portfolios or through winning new clients and fund mandates.

The Company measures its performance against the Key Performance Indicators listed below

	2022	2021
	£	£
Turnover		
Discretionary Fund Management	2,492,799	2,013,940
Custody and Trade Execution Services	411,237	385,893
Total	2,904,036	2,399,833
Funds Under Management		
Discretionary Fund Management	1,743,126,152	1,749,105,845
Custody and Trade Execution Services	721,158,530	585,910,683
Total	2,464,284,682	2,335,016,528

As part of its oversight of the business, the Board routinely reviews a range of other measures including cash generation, revenue yield and regulatory capital requirements.

Principal Risks and Uncertainties*Risk Management*

The Company operates a fully documented risk framework designed to ensure controls exist to preserve both the financial strength and the reputation of the Company and to meet regulatory obligations.

Primary responsibility for the identification and management of risk rests with the leader of each team and the head of each business unit. All employees are expected to take ownership of the risks relevant to their role.

The Board holds overall accountability for the risk management processes and culture in the Company. The primary functions of the Board are to confirm the risk appetite, to approve key strategic and operational business decisions and to ensure the sound operation of the risk governance and control arrangement across the Company.

The governance framework operates through the compliance and risk functions and a series of committees acting with delegated authority from the Board. These are responsible for ensuring that the Company operates with a risk exposure consistent with its stated appetite and that decisions are made at the appropriate level of seniority with clear lines of escalation.

A description of the key business risks relevant to the Company is set out below.

Credit Risk	This is the risk that a counterparty will not meet their financial obligations to the business. This risk relates primarily to banking and the risk that the Company may not be able to access funds it has deposited with a bank. The Company manages this risk by placing cash only with large, well-capitalised banks with a strong credit rating and tier 1 capital ratio.
Liquidity Risk	This is the risk that the Company will be unable to meet its liabilities as they fall due. Thesis manages this risk by maintaining a significant level of financial resources, much of which is held as cash in instant access accounts.
Operational Risk	This is a broad category of risk which recognises that any process can fail or be subject to error and so harm the business either directly, as a financial loss, or indirectly by damaging its reputation or by causing harm to its clients who then withdraw their business. The principal risk areas recognised are described below.

THEISIS ASSET MANAGEMENT LIMITED**Strategic Report (continued)****Principal Risks and Uncertainties (continued)***Risk Management (continued)*

Operational risk

Dealing and Settlement

This is the risk that errors might occur as part of the trading cycle on client portfolios. These errors could result in the business trading an incorrect stock, recording activity on an incorrect portfolio or making incorrect payments.

Thesis has implemented a range of automated and manual controls to minimise the risk of all such errors and has an incident management process to ensure that any errors that do occur or near-misses are fully reviewed and action taken to prevent recurrence.

Technology

Thesis takes a conservative approach to IT risks and maintains a comprehensive set of policies and procedures. These are designed first to prevent unwanted intrusion to its systems and second to detect it promptly should it occur. Staff receive regular awareness training from the IT team and communication about emerging threats.

Conduct

This recognises that the business of the Company is conducted by individuals and that their behaviours, attitudes and motivation are fundamental to the delivery of good outcomes for investors and, by extension, the Company.

The business has a clearly articulated Purpose and a set of Values, both of which place the interests of investors in its funds at the heart of the business. These statements are integrated into many of the employment processes in the business, from recruitment to appraisals and team meetings. Annual training is also provided to all staff on conduct issues.

Business Risk

This is the risk that the business fails to deliver its long term strategy as a result of poor internal decision making or a weak understanding of changes in its business sector.

Thesis tracks its financial performance internal with the production of budgets, monthly financial reports which incorporate forward looking projections and the use of key performance indicators. It monitors a range of external indicators and other information, such as publications from its regulator, to identify any significant changes for which it must plan.

Future Developments in the Business*Growth*

The company has a pipeline of new business. New business is expected both from Tutman and from retail clients using the custody and execution service.

Covid-19 Pandemic

The Company successfully transitioned almost its entire workforce to home working in March and April 2020 and has operated in that manner throughout the last two financial years. Additional equipment, including laptops, mobile phones, monitors and chairs was purchased and delivered to staff as required. The Company did not need to make use of any of the government schemes to support businesses and their employees through the pandemic. No member of staff was placed on furlough.

With the approval of a range of vaccines and the inoculation of a significant proportion of the UK population, the Company began to make plans for a return to office life during the autumn of 2021. However, the emergence of the more transmissible Omicron variant of the virus delayed that process and the business will be restarting this process during the summer of 2022.

THEISIS ASSET MANAGEMENT LIMITED**Strategic Report (continued)****Future Developments in the Business (continued)***Brexit*

The Company is a UK business with no operations in European Union countries and no material dependencies on goods or people from that region. As a result, there has not been any disruption to the business.

The Company continues to monitor the development of the new relationship between the UK and the EU because a broader disruption to the UK economy could affect the value of funds under management and, in turn, the Company's income. This assessment is not yet complete because the exceptional circumstances of the covid-19 pandemic have served to mask the full impact of Brexit.

Russia-Ukraine

On 24 February 2022 Russia invaded Ukraine. Although the Company has no direct business connection to either country, the conflict has macroeconomic consequences for the UK and the rest of the world. Inflation has risen sharply in most developed countries and stock markets have fallen. This has a direct impact on asset values and on the revenue earned by the Company.

Pillar 3

Under the rules of the FCA, the Company is required to publish annually information on its risk management arrangements, its regulatory capital requirement and resources and its remuneration policies and practices. This information is contained in its pillar 3 report, which is approved by the Board and published on the Company's website (www.thesisam.com) shortly after the approval of these financial statements.

Section 172(1) Statement

The directors have a duty to promote the success of the Company and to act in a way that benefits the members as a whole. In doing so the directors endeavour to consider the interests of all stakeholders. The information below demonstrates the ways in which they have done so. It is structured to reflect the matters set out in s172 (a) to (f) and represents the Directors' statement required under s414CZA of the Companies Act 2006.

Section 172 requirement**Examples of how the Board has addressed this**

- | | |
|--|--|
| (a) The likely consequences of any decision in the long term. | <ul style="list-style-type: none"> • The Board reviewed and updated its 5 year forecast and capital plan together with a full budget and recruitment plan for the year ahead. • The Board approved a proposal to wind down its offshore nominee service, Thesis Guernsey Limited during the year. • The Board approved a proposal to appoint a sub-custodian bank to hold CREST securities on behalf its clients. |
| (b) The interests of the company's employees | <ul style="list-style-type: none"> • The business reviewed its remuneration arrangements during the year and introduced new incentive arrangements for all staff. These take effect in the new financial year. • Employees receive training and Continuous Professional Development each year. This takes the form of solo study, external training courses or informal internal events such as training lunches led by different departments. |
| (c) The need to foster the company's business relationships with suppliers, customers and others | <ul style="list-style-type: none"> • The Company maintains a policy of prompt payment of suppliers once invoices are received and approved. • The Company has a number of individuals who participate on committees of key industry bodies. |
| (d) The impact of the company's operations on the community and the environment | <ul style="list-style-type: none"> • The business continued its policy of flexible home working, allowing staff, as far as possible, to determine the appropriate proportion of time to be spent in the office. |

THEISIS ASSET MANAGEMENT LIMITED**Strategic Report (continued)****Section 172(1) Statement (continued)**

Section 172 requirement	Examples of how the Board has addressed this
(e) The desirability of the company maintaining a reputation for high standards of business conduct.	<ul style="list-style-type: none"> • Staff receive annual training on conduct, business standards, integrity and ethics. • The Board regularly commissions external consultants or law firms to provide expert input on selected topics. These ensure that the Company's procedures remain up to date and in line with the very best market practice. • Details of the FCA annual business plan and other relevant communications are circulated and discussed each year to identify areas of focus.
(f) The need to act fairly as between members of the company.	<ul style="list-style-type: none"> • The Company's ordinary shares are all held by Thesis Holdings Limited and are not listed. • Following a management buy-out in 2017, private equity investors, management, the chair and senior managers hold shares in the ultimate holding company, Regit Topco Limited. Each of the ultimate beneficial owner groups is represented on the Board.

Approved by the Board of Directors and signed on behalf of the Board on 27th July 2022.

David Tyerman

D W Tyerman
 Director
 Exchange Building
 St John's Street
 Chichester
 West Sussex
 PO19 1UP

THESIS ASSET MANAGEMENT LIMITED**Directors' Report**

The directors present their annual report and the audited financial statements of Thesis Asset Management Limited ("the Company") for the year ended 30 April 2022.

Going Concern

A significant proportion of the Company's revenue is based on an ad valorem calculation based on its funds under management. Gross profit from continuing operations grew by 14% to £2,641,306 (2021: £2,315,601) boosted by growth in funds under management. This significantly reduced the operating loss to £49,213 (2021: £360,153) and enabled the business to report a profit after tax of £13,260 (2021: a loss of £202,075).

The Board has reviewed critically the budget and financial projections for the Company for the next 12 months and beyond, including its cashflows and liquidity position. The Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis of accounting in preparing the annual report and accounts.

Results and Dividends

The results for the year are set out in the profit and loss account on page 12. The Company's result for the year was a profit of £13,260 (2021: a loss of £202,075) The Directors do not propose the payment of a dividend for 2022 (2021: Nil).

Directors

The directors who held office throughout the year, and to the date of signing the financial statements, are set out on page 1.

Disclosure of Information to Auditor

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

- (1) so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- (2) 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 provisions of s418 of the Companies Act 2006.

Independent Auditor

Grant Thornton UK LLP have expressed their willingness to continue in office as auditor to the Company and a resolution to reappoint them will be proposed at the forthcoming Annual General Meeting.

Approved by the Board of Directors and signed on behalf of the Board on 27th July 2022.

**D W Tyerman**

Director
Exchange Building
St John's Street
Chichester
West Sussex
PO19 1UP

THEISIS ASSET MANAGEMENT LIMITED**Statement of Directors' Responsibilities in Respect of the Directors' Report and the Financial Statements**

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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law, including FRS 102, 'the Financial Reporting Standard applicable in the UK and Republic of Ireland').

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 estimates that are reasonable and prudent; and
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

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 enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

Approved by the Board of Directors and signed on behalf of the Board on 27th July 2022.

**D W Tyerman**

Director
Exchange Building
St John's Street
Chichester
West Sussex
PO19 1UP

THESIS ASSET MANAGEMENT LIMITED**Independent auditor's report to the members of Thesis Asset Management Limited****Opinion**

We have audited the financial statements of Thesis Asset Management Limited (the 'company') for the year ended 30 April 2022, which comprise of Profit and Loss and Other Comprehensive Income, Balance Sheet, Statement of Changes in Equity and 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 Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland (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 30 April 2022 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

We are responsible for concluding on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the auditor's opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the company to cease to continue as a going concern.

In our evaluation of the directors' conclusions, we considered the inherent risks associated with the company's business model including effects arising from macro-economic uncertainties such as Brexit and Covid-19, we assessed and challenged the reasonableness of estimates made by the directors and the related disclosures and analysed how those risks might affect the company's financial resources or ability to continue operations over the going concern period.

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

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

The responsibilities of the directors with respect to going concern are described in the 'Responsibilities of directors for the financial statements' section of this report.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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.

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

We have nothing to report in this regard.

THESIS ASSET MANAGEMENT LIMITED**Independent auditor's report to the members of Thesis Asset Management Limited (continued)****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 strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matter on which we are required to report under the Companies Act 2006

In the 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 strategic report or the directors' report.

Matters on which we are required to report by exception

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, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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.

Responsibilities of directors for the financial statements

As explained more fully in the directors' responsibilities statement, 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 these financial statements.

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. This description forms part of our auditor's report.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

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. Owing to the inherent limitations of an audit, there is an unavoidable risk that material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK).

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

- We obtained an understanding of the legal and regulatory frameworks applicable to the company and industry in which it operates. We determined that the following laws and regulations were most significant:
 - The Companies Act 2006; and
 - the Financial Reporting Standard applicable in the UK and Republic of Ireland ("FRS 102");

THESIS ASSET MANAGEMENT LIMITED**Independent auditor's report to the members of Thesis Asset Management Limited (continued)****Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud (continued)**

- We understood how the Company is complying with those legal and regulatory frameworks by making inquiries of members and those responsible for legal and compliance procedures as to whether they had knowledge of any actual, suspected or alleged fraud. We corroborated the results of our inquiries through our review of Board minutes.
- In assessing the potential risks of material misstatement, we obtained an understanding of
 - the company's operations, including the nature of its investments, sources of income, and of its objective to understand the classes of transactions, account balances, expected financial statement disclosures and business risks that may result in risks of material misstatement; and
 - the company's control environment to mitigate risks of fraud or non-compliance with the relevant laws and regulations.
- In assessing the appropriateness of the collective competence and capabilities of the engagement team, the engagement partner considered the engagement team's:
 - understanding of, and practical experience with audit engagements of a similar nature and complexity through appropriate training and participation
 - knowledge of the industry in which the client operates.
- We assessed the susceptibility of the company's financial statements to material misstatement, including how fraud might occur. Audit procedures performed by the engagement team included checking completeness of journal entries and identifying and testing journal entries, in particular manual journal entries processed for financial statements preparation. We also reviewed the financial statements disclosures and the corresponding supporting documentation.
- These audit procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error. However, detecting irregularities that result from fraud is inherently more difficult than detecting those that result from error, as those irregularities that result from fraud may involve collusion, deliberate concealment, forgery or intentional misrepresentations. Also, the further removed non-compliance with laws and regulations is from events and transactions reflected in the financial statements, the less likely we would become aware of it.
- As the company is FCA regulated, our assessment of risks of material misstatement also involved an understanding of the control environment, including the entity's procedures for complying with regulatory requirements. Our communication of identified laws and regulations risks was made throughout our team and we remained alert to any indications of non-compliance throughout the audit. We did not identify any matters relating to non-compliance with laws and regulation or relating to fraud.

We did not identify any matters relating to non-compliance with laws and regulation or relating to fraud.

Use of our 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.



Marcus Swales BSc ACA
Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants

27th July 2022

THEESIS ASSET MANAGEMENT LIMITED**Profit and Loss Account and Other Comprehensive Income****Year Ended 30 April 2022**

	Note	2022 £	2021 £
Turnover	2	2,904,036	2,399,833
Cost of sales		<u>(262,730)</u>	<u>(84,232)</u>
Gross Profit		2,641,306	2,315,601
Operating and administrative expenses	3	<u>(2,690,518)</u>	<u>(2,675,754)</u>
Operating Loss		(49,212)	(360,153)
Interest receivable and similar income	6	<u>76,488</u>	<u>148,769</u>
Profit/ (Loss) on ordinary activities before taxation		27,276	(211,384)
Tax on profit on ordinary activities	7	<u>(14,016)</u>	<u>9,309</u>
Profit / (Loss) for the year		<u><u>13,260</u></u>	<u><u>(202,075)</u></u>
Other comprehensive income		<u>-</u>	<u>-</u>
Total comprehensive income / (expense) for the year		<u><u>13,260</u></u>	<u><u>(202,075)</u></u>

The notes on pages 15 to 22 form an integral part of the financial statements.

THEISIS ASSET MANAGEMENT LIMITED**Balance Sheet****At 30 April 2022**

	Note	2022 £	2021 £
CURRENT ASSETS			
Debtors	8	354,302	144,567
Cash at bank and in hand		4,562,125	4,551,322
		<u>4,916,427</u>	<u>4,695,889</u>
Creditors: amounts falling due within one year	9	(266,278)	(90,430)
		<u>4,650,149</u>	<u>4,605,459</u>
NET CURRENT ASSETS			
		<u>4,650,149</u>	<u>4,605,459</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			
		<u>4,650,149</u>	<u>4,605,459</u>
Creditors: amounts falling due after more than one year		-	-
Provision for liabilities	10	(31,430)	-
		<u>4,618,719</u>	<u>4,605,459</u>
NET ASSETS			
		<u>4,618,719</u>	<u>4,605,459</u>
CAPITAL AND RESERVES			
Called up share capital	13	3,503,569	3,503,569
Equity reserve		1,647,734	1,647,734
Profit and loss account		(532,584)	(545,844)
		<u>4,618,719</u>	<u>4,605,459</u>
TOTAL SHAREHOLDERS' FUNDS			
		<u>4,618,719</u>	<u>4,605,459</u>

The notes on pages 15 to 22 form an integral part of the financial statements.

The financial statements of Thesis Asset Management Limited (registered number 01802101) were approved by the Board of Directors and authorised for issue on 27th July 2022.

Signed on behalf of the Board of Directors

David Tyerman

D W Tyerman
Director

THEISIS ASSET MANAGEMENT LIMITED**Statement of Changes in Equity****30 April 2022**

	Called Up Share Capital	Profit and Loss Account	Equity Reserve	Total Shareholders' Equity
	£	£	£	£
Balance at 1 May 2021	3,503,569	(545,844)	1,647,734	4,605,459
Total comprehensive income				
Profit for the year	-	13,260	-	13,260
Other comprehensive income	-	-	-	-
Balance at 30 April 2022	<u>3,503,569</u>	<u>(532,584)</u>	<u>1,647,734</u>	<u>4,618,719</u>
	Called Up Share Capital	Profit and Loss Account	Equity Reserve	Total Shareholders' Equity
	£	£	£	£
Balance at 1 May 2020	3,503,569	(343,769)	1,647,734	4,807,534
Total comprehensive income				
Loss for the year	-	(202,075)	-	(202,075)
Other comprehensive income	-	-	-	-
Balance at 30 April 2021	<u>3,503,569</u>	<u>(545,844)</u>	<u>1,647,734</u>	<u>4,605,459</u>

The notes on pages 15 to 22 form an integral part of the financial statements.

THESIS ASSET MANAGEMENT LIMITED**Notes to the Accounts****1. Accounting Policies****Basis of Preparation**

Thesis Asset Management Limited ("Thesis") is a company limited by shares and incorporated and domiciled in the United Kingdom.

The financial statements are prepared in accordance with Financial Reporting Standard 102, the financial reporting standard applicable in the UK and the Republic of Ireland. The presentation currency of the financial statements is sterling. The financial statements are prepared on the historical cost basis.

The Company has taken advantage of the provisions of s400 of the Companies Act 2006 not to prepare group accounts as its results are fully included in the accounts of its ultimate parent, Regit Topco Limited, a company incorporated in Jersey.

The Company's ultimate parent undertaking, Regit Topco Limited, includes the Company in its consolidated financial statements. The consolidated financial statements of Regit Topco Limited are prepared in accordance with FRS102 and are available to the public from Exchange Building, St John's Street, Chichester, West Sussex, PO19 1UP. In these financial statements the Company is considered a qualifying entity and has applied the exemptions available under FRS102 in respect of the following disclosures:

- Reconciliation of the number of shares from the beginning to the end of the period;
- Cash flow statement and related notes; and
- Key Management Personnel compensation

The particular accounting policies adopted are described below and have been applied consistently throughout the current and prior year.

Going Concern

As noted in the Directors' Report, the Company has prepared a multi-year forecast of its financial position, including its projected liquidity and regulatory capital position. This forecast has been used to analyse the impact of a number of adverse scenarios, including any additional market volatility arising from the ongoing covid-19 pandemic, and the impact of rising inflation on its fixed overheads.

These scenarios are intended to help the Directors determine whether there are any material uncertainties that could cast doubt on the ability of the Company to continue as a going concern. The Directors have concluded that there is a reasonable expectation that the Company has adequate resources to continue in operational existence for a period of at least the next 12 months from the date of approval of these financial statements. The Company therefore continues to adopt the going concern basis in preparing its financial statements.

Basic Financial Instruments*Trade and Other Debtors/Creditors*

Trade and other debtors are recognised on the balance sheet when the Company becomes a party to the contractual provisions of the instrument at transaction price less attributable transaction costs. Subsequent to initial recognition, they are measured at cost less any impairment losses.

Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition, they are measured at amortised cost.

Cash and Cash Equivalents

Cash and cash equivalents comprise cash balances and call deposits.

Other Financial Instruments

The Company did not hold any non-basic financial instruments during the period.

Taxation

Taxation comprises current and deferred tax. Taxation is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income.

Current UK corporation tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantially enacted by the balance sheet date, and any adjustment to tax payable in respect of previous years.

THESIS ASSET MANAGEMENT LIMITED**Notes to the Accounts (continued)****1. Accounting Policies (continued)****Taxation (continued)**

Deferred taxation is provided in full on timing differences that result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in financial statements. Deferred tax is not recognised on permanent differences arising because certain types of income or expense are non-taxable or are disallowable for tax or because certain tax charges or allowances are greater or smaller than the corresponding income or expense. Deferred tax is measured at the tax rate that is expected to apply to the reversal of the related difference, using tax rates enacted or substantively enacted at the balance sheet date.

Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

Turnover

Turnover represents the amounts derived from the management of client assets falling within the Company's ordinary activities.

Income is recognised on an accruals basis with the exception of brokerage income and income derived from unit dealing, each of which is accounted for on a trade date basis, and trail commission, which is recognised on a cash basis.

Income accruals are made at each year end in respect of annual portfolio and fund management fees. These are calculated for each fund or portfolio for the period since the last charging date, based on the rate applicable to each and the most recent valuation.

All income excludes value added tax.

Other Income

Rental income is accrued on a time basis by reference to the lease agreement.

Other operating profit represents back office and custodian services provided to Sanlam UK Limited during the transition period following the sale of the private client business. Income is recognised on an accruals basis and is included within discontinued operations.

Employee Benefits*Pension costs*

Contributions to defined contribution pension schemes are charged to the profit and loss account in the periods during which services are rendered by employees. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

Operating and Administrative Expenses

Throughout the current and prior years the Company was part of a group. Operating and administrative expenses, including staff costs and premises, were incurred by a fellow subsidiary company Thesis Services Limited, and an appropriate recharge was made to the Company (note 3). Staff costs were also directly incurred by the Company (note 4).

Interest Receivable and Interest Payable

Interest payable and similar charges include interest payable, unwinding of the discount on provisions and net foreign exchange losses recognised in the profit and loss account. Interest receivable and similar income includes interest receivable on funds invested and net foreign exchange gains.

Interest income and interest payable are recognised in profit or loss as they accrue, using the effective interest method. Dividend income is recognised in the profit and loss account on the date the entity's right to receive payments is established. Foreign currency gains and losses are reported on a net basis.

THISIS ASSET MANAGEMENT LIMITED**Notes to the Accounts (continued)****1. Accounting Policies (continued)****Financial Liabilities and Equity**

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities.

Discontinued Operations

A discontinued operation is a component of the company which has been disposed of or which is classified as held for sale and which:

- Represents a separate major line of business or geographical area of operations
- Is part of a single coordinated plan to dispose of a separate major line of business or geographical area of operation; or
- is a subsidiary acquired exclusively with a view to resale.

2. Turnover

All turnover is derived from operations in the UK from fund management related activities.

	2022	2021
	£	£
Custody and execution fees	407,622	371,887
Fund management fees	2,492,799	2,013,940
Interest received on client balances	3,615	14,006
	<u>2,904,036</u>	<u>2,399,833</u>

3. Operating and Administrative Expenses

	2022	2021
	£	£
Staff costs (note 4)	151,526	104,652
Group management charge (below)	2,404,119	2,524,706

The group management charge includes the following elements:

	2022	2021
	£	£
Charge for use of tangible fixed assets	55,199	64,522
Rentals payable under operating leases for premises	52,427	54,636
Staff costs and directors' remuneration	1,201,453	1,173,672

Operating lease commitments disclosed in note 14 are based on the terms of the relevant non-cancellable lease.

	2022	2021
	£	£
Auditor's Remuneration:		
Fees Payable to the Company's auditor in respect of:		
Audit services	22,050	21,000
Audit related assurance services	53,000	50,000
	<u>75,050</u>	<u>71,000</u>

THESIS ASSET MANAGEMENT LIMITED**Notes to the Accounts (continued)****4. Staff Numbers and Costs**

The average number of persons employed by the Company, including directors, was:

	2022	2021
Investment manager	1	1
Support staff	2	2
	<u>3</u>	<u>3</u>

The aggregate payroll cost of these persons was as follows:

	2022 £	2021 £
Wages and salaries	130,774	87,185
Social security costs	13,177	12,477
Pension costs (note 15)	7,575	4,990
	<u>151,526</u>	<u>104,652</u>

5. Directors' Remuneration

	2022 £	2021 £
Directors' remuneration		
Directors' emoluments	217,166	226,781
Group contribution to defined pension schemes	15,539	14,778
	<u>232,705</u>	<u>241,559</u>

	2022 £	2021 £
The remuneration of the highest paid director was:		
Directors' emoluments	57,354	66,235
Group contribution to defined pension schemes	3,720	4,175
	<u>61,074</u>	<u>70,411</u>

	2022	2021
The number of directors in a defined contribution pension scheme	<u>3</u>	<u>3</u>

Two directors, D K Mytnik and V R Smith, are remunerated by Thesis Holdings Limited. All others are remunerated by Thesis Services Limited. The remuneration of directors is based on management's assessment of the time spent on Company business during the financial year.

6. Interest Receivable and Other Income

	2022 £	2021 £
Bank interest receivable	690	1,596
Rental income	64,084	65,850
Other operating income	11,714	81,323
	<u>76,488</u>	<u>148,769</u>

Other operating income represents charges for custody and settlement services provided to Sanlam UK Limited following their acquisition of the private client business.

THISIS ASSET MANAGEMENT LIMITED**Notes to the Accounts (continued)****7. Taxation****(a) Analysis of tax credit / (charge) on ordinary activities**

	2022 £	2021 £
Current tax on profits on ordinary activities		
Current tax on the result for the year	(5,321)	-
Adjustment in respect of prior years	(16,599)	9,253
	<u>(21,920)</u>	<u>9,253</u>
Current tax	(21,920)	9,253
Deferred tax on profits on ordinary activities		
Timing differences, origination and reversal	6,018	56
Changes in tax rates	1,886	-
	<u>7,904</u>	<u>56</u>
Deferred tax	7,904	56
Total tax charge (credit)	<u>(14,016)</u>	<u>9,309</u>

(b) Factors affecting tax charges for the current period

The tax assessed for the period is higher (2021 higher) than that resulting from applying the standard rate of 19.0%

	2022 £	2021 £
Profit (loss) on ordinary activities before taxation	<u>27,275</u>	<u>(211,384)</u>
United Kingdom corporation tax at 19.0% (2021: 19.0%)	(5,182)	40,163
Effects of:		
Expenses not deducted for tax purposes	(92)	(36,640)
Capital allowances in excess of depreciation		(3,467)
Movement in short term timing differences	5,972	-
Changes in tax rates	1,886	-
Prior year adjustment	(16,599)	9,253
	<u>(14,016)</u>	<u>9,309</u>
Current tax credit for the period	(14,016)	9,309

A reduction in the UK corporation tax rate from 20% to 19% (effective 1 April 2017) was substantively enacted on 26 October 2015 and resulted in a weighted average tax rate of 19.0%.

8. Debtors

	2022 £	2021 £
Trade debtors	66,139	52,400
Other debtors	11,348	13,457
Deferred tax	8,075	171
Amounts due from other group companies	224,974	22,083
Accrued income	43,766	56,456
Prepayments	-	-
	<u>354,302</u>	<u>144,567</u>

THISIS ASSET MANAGEMENT LIMITED**Notes to the Accounts (continued)****9. Creditors – Amounts Falling Due Within One Year**

	2022	2021
	£	£
Trade creditors	-	4,944
Corporation tax	5,321	-
Amounts due to other group companies	156,093	43,086
Other creditors	10,137	10,080
Accruals and deferred income	94,727	32,320
	<u>266,288</u>	<u>90,430</u>

10. Provision for liabilities

	Deferred taxation	Dilapidations	Total
	(Note 12)	provision	£
	£	£	£
At 1 May 2021	-	-	-
Charged to profit and loss	7,858	(31,430)	(23,572)
At 30 April 2022	<u>7,858</u>	<u>(31,430)</u>	<u>(23,572)</u>

Dilapidation provisions are expected to be utilised in 2023.

11. Contingent Liability

The Group is exposed to the risk of potential litigation as well as potential FCA regulatory breaches and regulatory actions, which could give rise to the need to recognise material provisions or, in the case they do not qualify for the recognition of a provision, to disclose contingent liabilities. The financial impact of these exposures cannot be reliably estimated and, as a result, no provision was recognised in the balance sheet as at 30 April 2022.

12. Deferred Tax Asset

The deferred tax asset recognised on the balance sheet is attributable to the following:

	2022	2021
	£	£
Employee benefits	217	171
Dilapidations	7,858	-
	<u>8,075</u>	<u>171</u>

13. Called up Share Capital and Reserves

	2022	2021
	£	£
Allotted, called up and fully paid		
3,503,569 (2021: 3,503,569) Ordinary shares of £1 each	<u>3,503,569</u>	<u>3,503,569</u>

THEISIS ASSET MANAGEMENT LIMITED**Notes to the Accounts (continued)****14. Commitments Under Operating Leases**

At 30 April 2022 the Company had annual commitments under non-cancellable operating leases as follows:

	Land and Buildings 2022 £	Land and Buildings 2021 £
Operating leases which expire:		
Less than one year	-	-
Between one and five years	62,860	62,860
Over five years	-	-
	<u>62,860</u>	<u>62,860</u>

15. Employee Benefits*Pension Arrangements*

The Company operates a defined contribution scheme for which the pension cost charge for the year was £7,575 (2021: £4,990). At the year-end unpaid pension contributions amounted to £1,142 (2021: £899).

16. Parent Company

The immediate parent company, and immediate controlling entity, is Thesis Holdings Limited, a company incorporated in Jersey.

The largest group of which the Company is a member and for which consolidated financial statements are drawn up is that of Regit Topco Limited, a company incorporated in Jersey. The smallest group of which the Company is a member and for which consolidated financial statements are drawn up is that of Regit Holdco Limited, a company incorporated in Jersey.

The registered address of all Jersey companies is 47 Esplanade, St Helier, Jersey, JE1 0BD

17. Controlling Party

The ultimate controlling party is Regit Topco Limited, a company incorporated in Jersey.

18. Related Party Transactions

The Company maintains a register of related parties which is updated each year using information supplied by the directors. This register also includes details of family members and any external business interests of the individuals.

All directors, including non-executive directors and those individuals who serve only on the boards of parent or subsidiary companies, are considered to be related parties. In addition, Vincent Smith is a director of J Leon & Company. That business has trading relationships with the Company and with Thesis Unit Trust Management Limited and through its subsidiary, JLC Tigerco Limited, is an investor in Regit Topco Limited, the Company's ultimate parent. The Company considers J Leon and its directors also to be related parties. During the year the Company earned income of £155,354 (2021: £143,650) from transactions in the ordinary course of business with this group. The amount owed to the Company at the year end, included within debtors, is £11,568 (2021: £13,007).

THEISIS ASSET MANAGEMENT LIMITED**Notes to the Accounts (continued)****18. Related Party Transactions (continued)**

As Tutman LLP is not a wholly owned subsidiary, disclosure of transactions with the Company is required by paragraph 33.1A of FRS102 even though all amounts are eliminated on consolidation within the group accounts of Regit Topco Limited. The Company earned investment advisory fees on funds managed by Tutman LLP of £61,642 for the year (2021: £37,823). The amount owed by Tutman LLP to the Company at 30 April 2022 was £4,306 (2021: £252).

19. Post Balance Sheet Events

The directors are not aware of any post balance sheet events that would affect the financial statements as at 30 April 2022.