

**ANNUAL REPORT
AND FINANCIAL
STATEMENTS**

FOR THE YEAR ENDED
30 SEPTEMBER 2018



IntegraFin Holdings plc

Company registration
number: 08860879



CONTENTS

Strategic Report

Chairman’s Statement	2
Chief Executive Officer’s Review ...	4
Transact – Our Business Model at a Glance	6
Chief Financial Officer’s Review ...	14
Risk and Risk Management	25
Principal Risks and Uncertainties ...	31
Viability Statement	35
Corporate Social Responsibility ...	36
Approval of Strategic Report	37

Governance

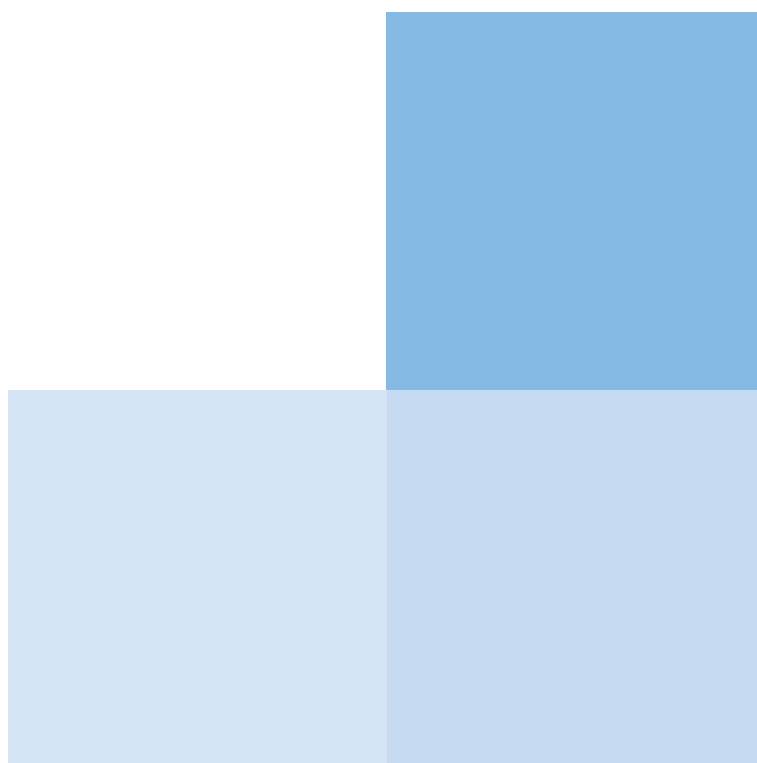
Board of Directors	38
Corporate Governance Report	41
Audit and Risk Committee Report .	46
Nomination Committee Report ...	52
Directors’ Remuneration Report ...	56
Directors’ Report	79
Statement of Directors’ Responsibilities	82

Financial Statements

Independent Auditor’s Report	83
Consolidated Profit and Loss and Other Comprehensive Income	90
Company Profit and Loss and Other Comprehensive Income	91
Consolidated Statement of Financial Position	92
Company Statement of Financial Position	93
Consolidated Statement of Cash Flows	94
Company Statement of Cash Flows	95
Consolidated Statement of Changes in Equity	96
Company Statement of Changes in Equity	97
Notes to the Financial Statements	101

Other Information

Directors, Company Details, Advisers	130
Glossary of Terms	131



STRATEGIC REPORT

Christopher Munro
Non-Executive Interim Chairman

CHAIRMAN'S STATEMENT

Overview

The last twelve months have been an exciting time in the life of our company. After 19 years of hard work, we listed on the London Stock Exchange (LSE) this year. The listing was well received by investors, with the share price closing on the first day of trading at a significant premium to the issue price.

Ian comments on the key financial results in his Chief Executive's Report and more detail is provided in the Strategic Report that follows that, but it is pleasing to highlight that the Group has had another fruitful year and made considerable progress.

Flotation

IntegraFin Holdings plc (IHP) listed on the LSE on 2 March 2018 and soon after listing, became included in the FTSE 250 Index. No new capital was raised, this being an exercise in creating shareholder liquidity, but we were pleased to welcome many new shareholders to our register – with a roster of credible investment names acting indirectly as a pleasing endorsement of our proposition. Since we floated, there have been more platforms listing and we are seeing the creation of a newly emerging "platform" sector in the market.

The Board

Partly in connection with the flotation, we have made some important changes to the Board over the past year.

We were sad to lose the services of our chairman, Patrick Snowball, in August who was required to relinquish the chairmanship after accepting an offer from Provident Financial PLC which precluded him from continuing in this role for us. I thank Patrick for his sound advice and leadership throughout the listing process. We have now initiated the formal search process for a new Chairman.

We are delighted to welcome two new non-executive appointments to the Board. Victoria Cochrane has accepted the role of Senior Independent Director and brings a wide range of experience in the financial services industry. Caroline Banzsky has also accepted the role of Non-Executive Director and brings further insight from the financial services industry. The intent is that Caroline will be chair of the Audit and Risk Committee of the main Board after the AGM.

I would like to take this opportunity to pay tribute to our founder and ex-chairman, Mike Howard. IntegraFin is the product of Mike's foresight in identifying an important gap in the investment universe and,

with Ian and his team's help, capturing that opportunity. Mike has contributed clear and strategic thinking and enormous energy over the last nineteen years. I am delighted he remains an integral part of "Team Transact" as an executive Director of IHP.

Governance

The Board has always recognised the importance of good governance. We appreciate our continued success is reliant on a well-defined corporate and ethical culture across the Group. As a Non-Executive Director and more recently as your Interim Chairman, I have been impressed by the quality and experience of the various subcommittees which ensure that our company maintains high standards in both governance and risk oversight.

Pleasingly, the Board now demonstrates a better gender balance with the recent appointments of Victoria and Caroline and I am encouraged with our Company's performance in relation to our gender pay gap.

Remuneration

The Remuneration Committee's Report on remuneration is set out on page 56.

The principal changes this year are the introduction of a Share Incentive Plan (SIP) and a Performance Share Plan (PSP). These will be awarded to staff based on their performance and the company's performance, both over the previous year.

Share awards are an excellent method for employees to participate in the success of the company and we hope that as many of our staff as possible will engage in these schemes.

We believe our remuneration scheme is fair to both shareholders and staff and reflects our advised platform space in the financial services industry.

Dividend

The Board is declaring an interim dividend of 6.4 pence per ordinary share (2017: 5.9 pence per ordinary share). A pre-listing special dividend was paid to shareholders in January 2018 of 3.4 pence per ordinary share.

The Board maintains a dividend policy of distributing 60% to 65% of post tax profits subject to market conditions and consideration of exceptional items.

Closing

Finally, on behalf of the Board, I would like to thank all our colleagues for their hard work throughout the past year. It is through their exhaustive efforts that these excellent results, along with the successful flotation of the company, have been made possible. We are extremely fortunate to have such a dedicated and talented team.

Christopher Munro
Non-Executive Interim Chairman

12 December 2018

STRATEGIC REPORT

continued



Ian Taylor
Chief Executive Officer

CEO REVIEW

Headlines

Following a good performance in 2017, by many measures the year to 30 September 2018 was again our most successful so far.

Gross inflows of £5.96 billion were 12% higher than last year and the highest they have ever been. At £4.09 billion, net inflows were also 12% higher than last year and also the highest they have ever been.

We ended the year with 166,000 clients (+10%) and funds under direction (FUD), of £33.11 billion (+19%).

This means that we are pleased to report that profit after tax increased by 10% to £32.9 million.

As a fairer reflection of year on year progress, removing those expenses incurred exceptionally as part of the listing of the Company on the LSE in early March, and detailed in the Chief Financial Officer's Review (CFOR), leads to an adjusted profit after tax of £35.5 million – an increase of 15%.

The market background

The UK investment platform industry continued to flourish. Many platforms saw further substantial uplifts in new business, although reported inflows for many had started to soften towards the end of our financial year. Platform estimates that funds under

direction across the advised platform sector grew from £463 billion (September 2017) to £540 billion (September 2018).

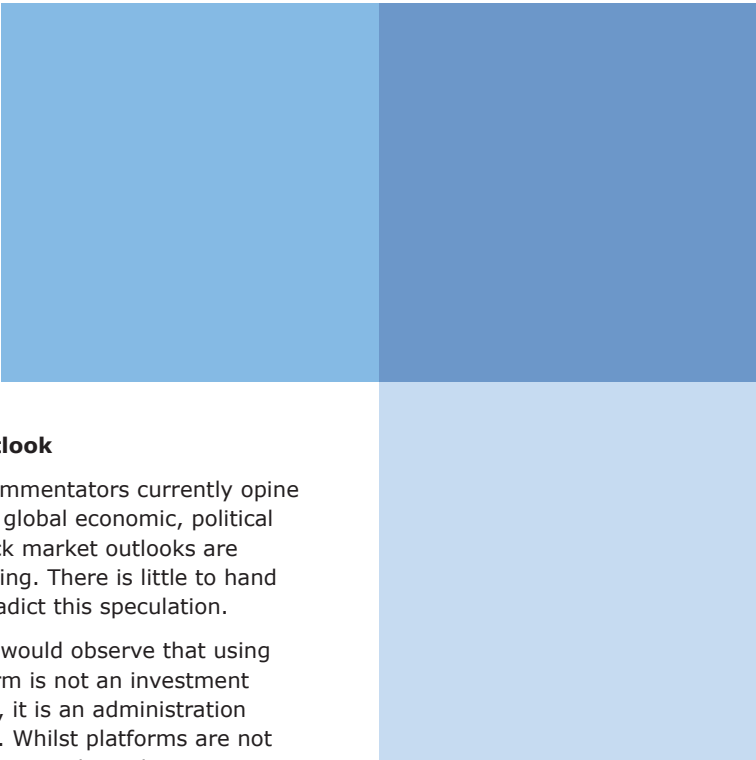
There was also some evidence that technology costs continued to rise across the sector and that, in some cases, the conversion from one system to another created much that was disruptive for advisers and clients alike.

Our activity

This year, in particular, was one in which we made strides forward both as a service to our clients and as an asset for our shareholders.

As far as our clients were concerned, we continued to provide an expanding range of functionality and a consistently excellent level of service. On the operational side for example, supporting the requirements of MiFID II and of GDPR demonstrated how Transact continues to provide mission critical functionality to Mrs Miggins and her adviser.

During the course of the year we won awards from: Money Observer (Retirement Income Awards – Best Flexi Access Drawdown); Financial Adviser (Service Awards – 5 Star Investment Provider); Platform (Best Adviser Platform Over £10bn); Professional Adviser (Best Platform for Advisers, AUA above £15bn); Professional



Paraplanner (Best Platform); and Professional Paraplanner (Best Overall Service – Existing Business).

Transact was also rated the best adviser platform in adviser surveys run by CoreData and Investment Trends.

In April we made adjustments to some of our prices. This perpetuated our established record of sharing some of our profits with our customers when circumstances permit. We do this when we are comfortable that doing so will have no negative impact on service levels. We call this ‘responsible pricing’ and it means that the best service in the platform market continues to be even better value.

As far as shareholders were concerned, the flotation in March was, obviously, a very significant event in the history of the company. The Chairman’s statement touches upon this topic in the opening pages of this report. But, I would add that the fact that we are listed will not distract us from the core values and operating principles that made us so successful in the preceding eighteen years.

I am also pleased that, by virtue of the flotation, we are now in a position whereby we are able to make all staff shareholders in the business. This is being done and there is more on this in the Directors’ Remuneration Report.

The outlook

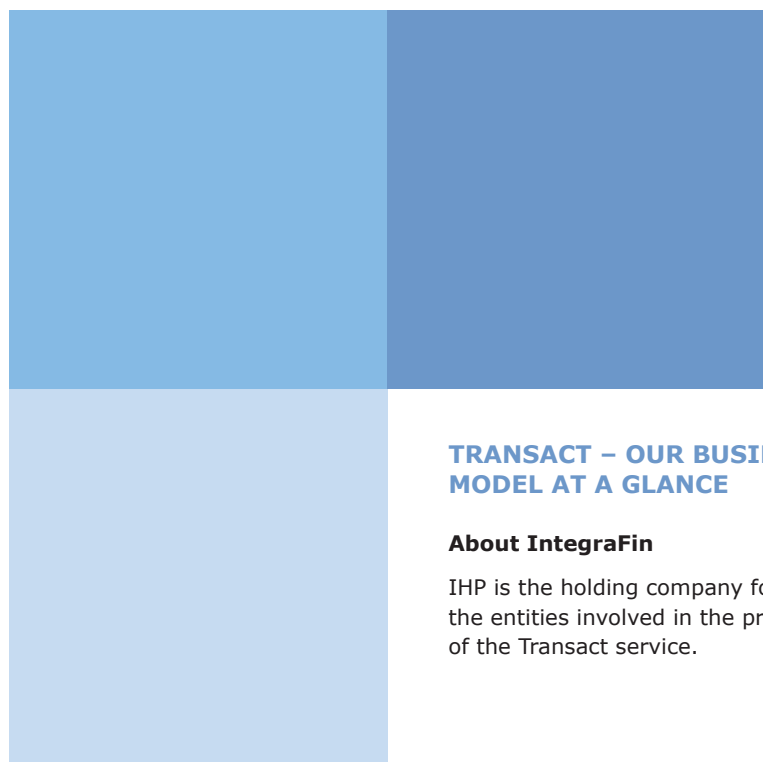
Many commentators currently opine that the global economic, political and stock market outlooks are challenging. There is little to hand to contradict this speculation.

But, we would observe that using a platform is not an investment decision, it is an administration decision. Whilst platforms are not immune to stock market movements, they are somewhat insulated from the more extreme client reactions to those movements. And, of course, all of the compelling arguments for moving from old world administration to new world administration remain firmly in place.

So, we will, as ever, continue to drive organic growth and to provide the best adviser platform in the UK.

Ian Taylor
Chief Executive Officer

12 December 2018



TRANSACT – OUR BUSINESS MODEL AT A GLANCE

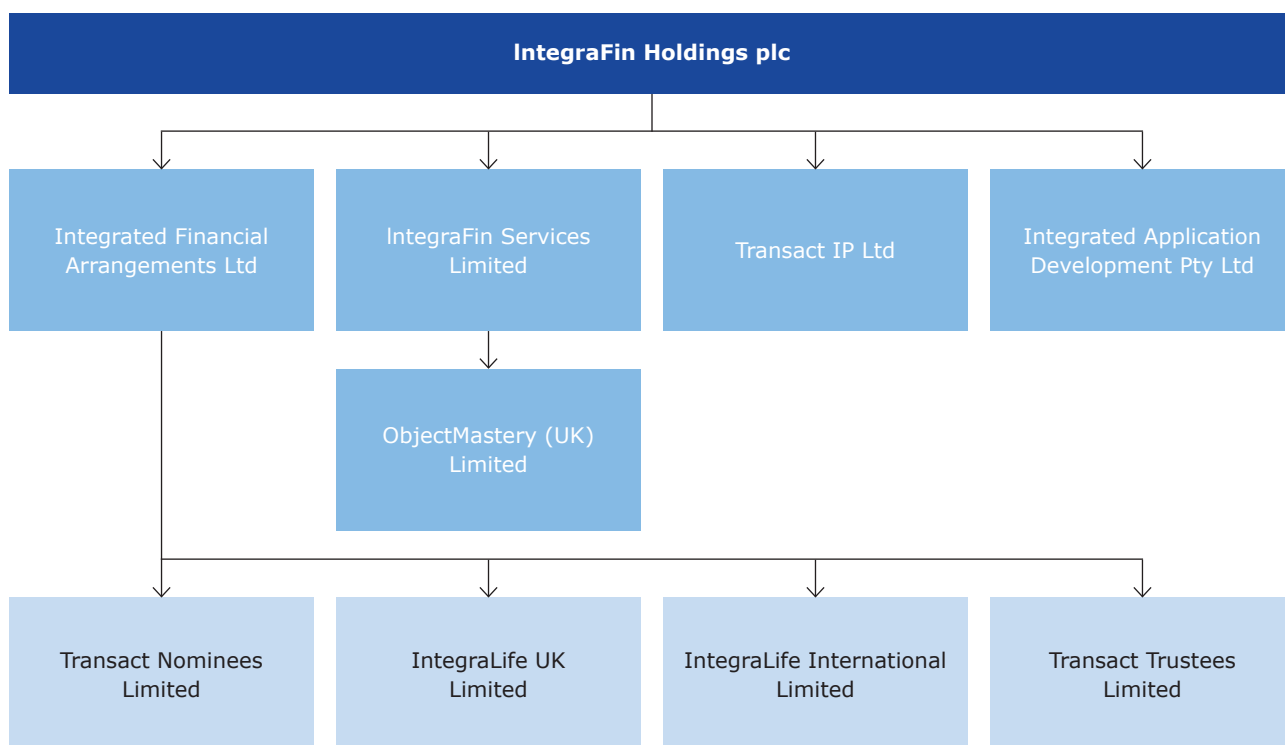
About IntegraFin

IHP is the holding company for all of the entities involved in the provision of the Transact service.

Transact is only marketed in the UK and is designed specifically to meet the needs of clients and their financial advisers.

Our corporate structure as at 30 September 2018 is shown below:

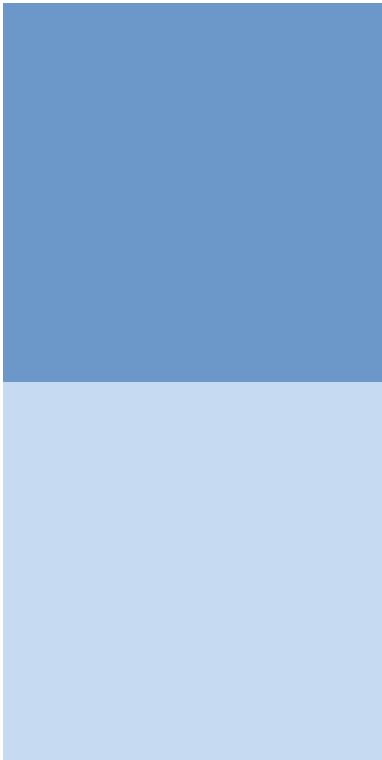
INTEGRAFIN CORPORATE STRUCTURE



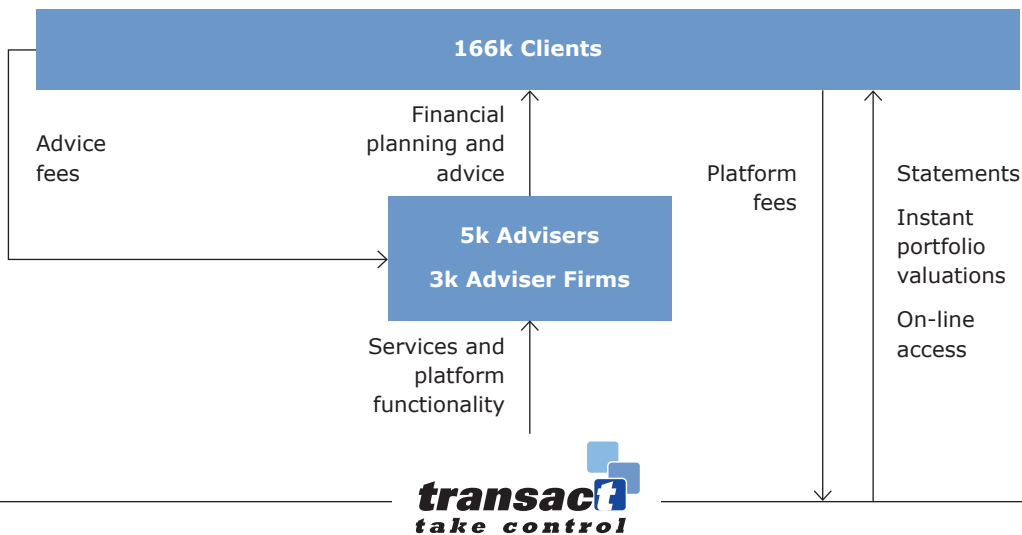
Transact provides a market leading platform infrastructure for clients and their advisers to make the implementation and management of client portfolios as simple and efficient as possible. Our leading investment platform functionality is supported by a high-touch client service team which provides extensive day-to-day and technical

support no matter how simple or complex a query may be.

As an independent platform we provide access to a wide range of tax wrappers and investment products. There are currently over 8,000 funds available on Transact and we can provide access to any asset listed on a major stock market.



INTEGRAFIN PROPOSITION



Client Service Team
<ul style="list-style-type: none"> Over 190 highly trained client service staff Client service staff allocated to specific advisers Deal with queries across assets and wrappers Strong adviser relationships

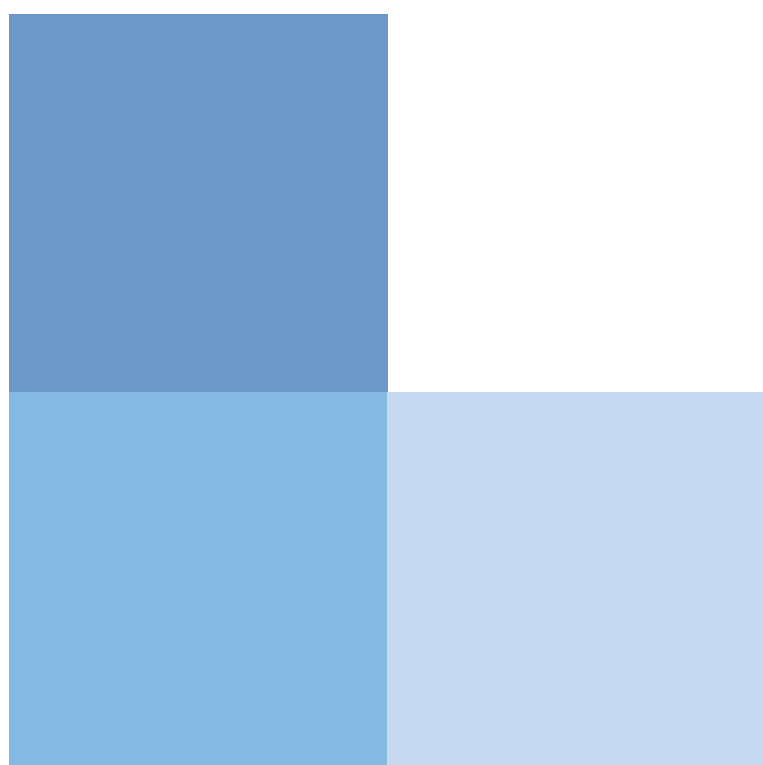
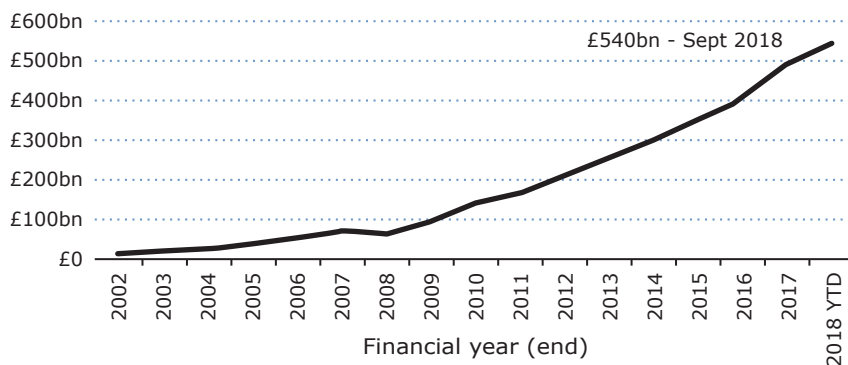
Proprietary Platform Functionality						
Asset Custody	Transaction Processing	Adviser Fees	Portfolio Monitoring	Reporting Tools		
Wide Range of Wrappers						
ISAs	GIAs	Pensions	Onshore Bonds	Offshore Bonds		
Open Investment Architecture						
~ 8,400 Funds	~ 370 ITs	~ 900 ETFs	~ 3,200 Stocks	~ 400 Gilts and Bonds	~ 80 VCTs	Cash

Our marketplace

Transact was the first investment platform service to launch in the UK back in 2000, providing a revolutionary solution for fee based financial advisers. Since then other providers have continued to enter the market and the UK platform sector has grown rapidly and now totals £540 billion of assets (Platform, Issue 36, November 2018).

The rapid growth of the sector has occurred because the platform proposition is extremely attractive to both clients and advisers. Ultimately, platforms provide clients with greater control over their investments as they offer the visibility and convenience of having all tax wrappers and a wide range of investments, held and managed in one place, and at a lower price than the pre-platform era.

UK PLATFORM MARKET GROWTH



Our business strategy

IntegraFin aims to create, maintain and improve value for its three groups of stakeholders – its customers, its shareholders and its employees. In doing so, the Group operates under a set of business principles.

IntegraFin will always:

- operate with flexibility and entrepreneurship while ensuring compliance with law and regulation
- act fairly and honestly with all parties
- provide a service that makes the process of financial planning easier for clients and their financial advisers.

IntegraFin has two groups of customers

- The first group are the contractual customers and ultimate beneficial owners of the assets. The business derives its remuneration from these clients and always discloses this remuneration in full
- The second group are marketing customers who are our clients' financial advisers. The business seeks to influence the behaviour of these marketing customers by providing a better service without ever using any financial influence.

IntegraFin drives organic growth

The business considers developments to its proposition and business plan where such changes are likely to improve financial planning processes for clients and their financial advisers. The business looks to implement new wrappers and services where it sees opportunities that will benefit all customers.

The business develops its technology in a steady and controlled manner.

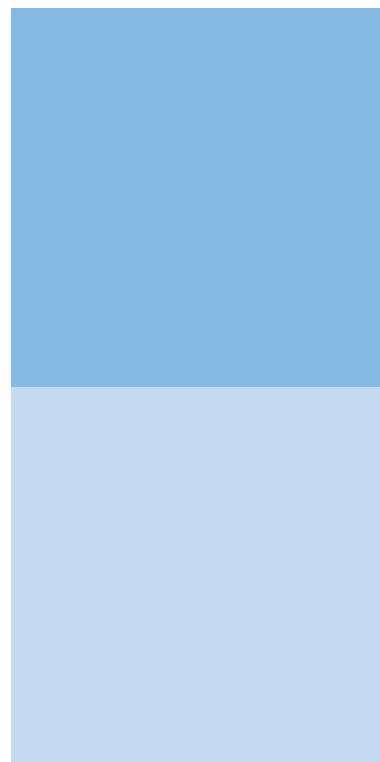
IntegraFin identifies new opportunities

Where opportunities have been identified, the business looks (wherever possible) to introduce in-sourced solutions.

New developments must:

- Not risk group capital beyond reasonable levels
- Not bring us into commercial conflict
- Not make it disproportionately difficult for us to meet our regulatory responsibilities.

Through these measures we aim to continue to grow profits and generate the best returns we can for our shareholders.



Our business model

A key aspect of our proposition is the control we have over every aspect of what we do. We do not outsource any material component of our service or technology and this gives us total control over the quality and cost of our whole operation. We also set our own priorities when deciding on the service enhancements we make and the frequency with which we make them.

The main components of our proposition are:

Systems Technology

- Proprietary software systems technology.
- Full control of the client experience.
- We set our own priorities and control management of associated costs.
- We can react quickly to client and industry demands.

Operations

- High-touch client service team.
- The teams cover our entire proposition and are not product centric. This means that the adviser and client experience is highly efficient.
- This also enables us to build strong adviser relationships.

Manufacturer of Wrappers

We provide a wide range of tax efficient wrappers, including:

- ISAs
- Pensions
- Onshore life insurance bonds
- Offshore life insurance bonds

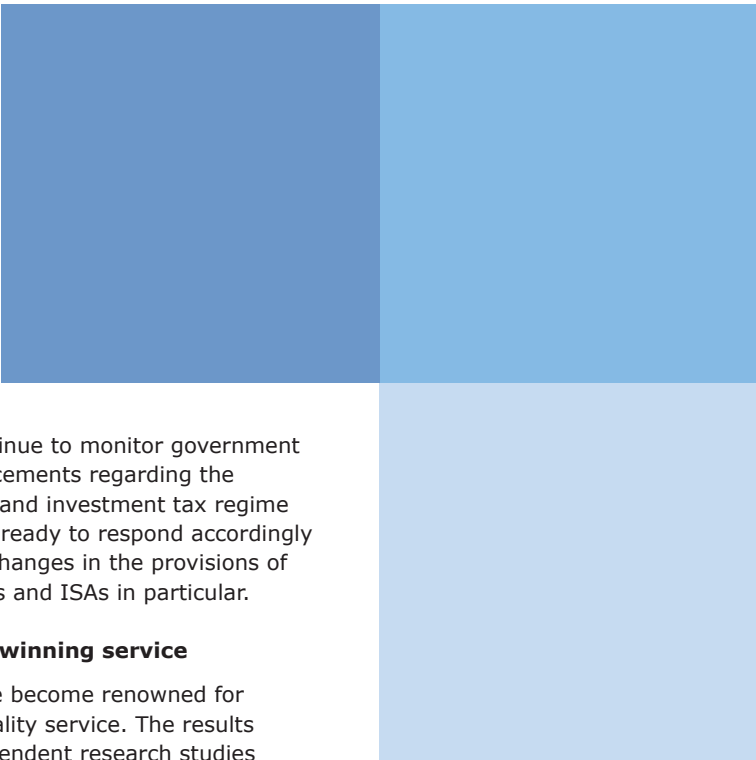
As well as providing General Investment Accounts for those assets that cannot be held in an approved tax wrapper.

Open Investment Architecture

We provide access to a wide range of investment types, including:

- Managed funds
- Investment trusts
- Exchange traded funds
- Shares
- Gilts
- Venture capital trusts
- Cash.





Control of our systems development is crucial to our business model as it enables our Client Service teams to operate effectively. We design our systems and processes around the needs of our clients and their financial advisers and regularly consult with them to ensure our solutions are appropriate.

Similarly, our Client Service teams receive extensive training through our internal training programmes and have been instrumental in our success and the many accolades and awards Transact has received over the years.

We do not own any financial advisory firms and we are proud to have long-standing relationships with many firms across the UK. We currently work with over 5,000 advisers who have independently selected Transact for their clients.

We receive all of our income from the fees paid by clients via our platform. Our Board and Senior Management Team are confident that the business model we operate is truly sustainable as 96% of revenue, as detailed on page 17 in the CFOR, is of recurring nature.

Strategic priorities and progress

This year saw us implement legal and regulatory changes for the platform industry as required by MiFID II and GDPR.

Our focus for the coming year will be to make continuous improvements to maintain our reputation as a premium service provider and a leading platform within the market.

We continue to see a strong uptake in advisers choosing our platform, with more advisers registering with Transact each month.




We continue to monitor government announcements regarding the savings and investment tax regime and are ready to respond accordingly to any changes in the provisions of pensions and ISAs in particular.

Award-winning service

We have become renowned for high quality service. The results of independent research studies stand testament to this as Transact has consistently been rated by advisory professionals as the top platform year on year in both the Investment Trends and CoreData research studies (2010 to 2018 inclusive), and consistently performs strongly in Platform quarterly and annual surveys.

This year we also completed our third Transact annual client survey, the results of which were extremely positive with 98% of respondents saying that they would recommend Transact to others.

TRANSACT ADVISER RATINGS

	 Category: <i>Large Platforms</i> (> £12bn FUD)	 Category: <i>Large Platforms</i> (> £10bn FUD)	 Category: <i>Large Platforms</i> (> £10bn FUD)
2018	1st	1st	1st
2017	1st	1st	1st
2016	1st	1st	1st
2015	1st	1st	1st
2014	1st	1st	1st

Key performance indicators

The key performance indicators presented are based on quantifiable measures that the Group uses to gauge the performance of the business.

Funds Under Direction

The value of FUD is a primary driver of revenue as it forms the basis of annual commission payable which, as detailed on page 17 in the CFOR, is the largest component of Group revenue. Over the financial year FUD has increased by £5.19 billion or 19%.

Growth in FUD is due to strong net inflows which are in turn driven by maintaining and growing our supporting clients and their financial advisers.

Net inflows

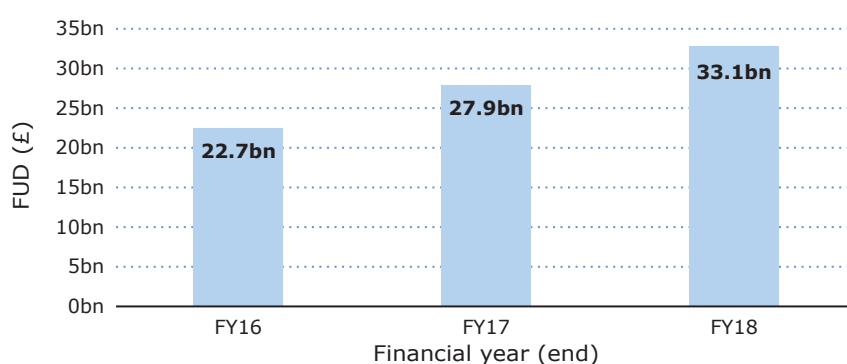
Net inflows for the financial year to 30 September 2018 increased by 11.7% to £4.09 billion – our highest ever annual net inflows. This increase has been achieved in four ways:

- existing clients making further contributions to their portfolios
- new clients from advisers who already use Transact
- new clients from advisers new to Transact
- fewer outflows as a proportion of FUD (more detail is provided on page 15 in the CFOR).

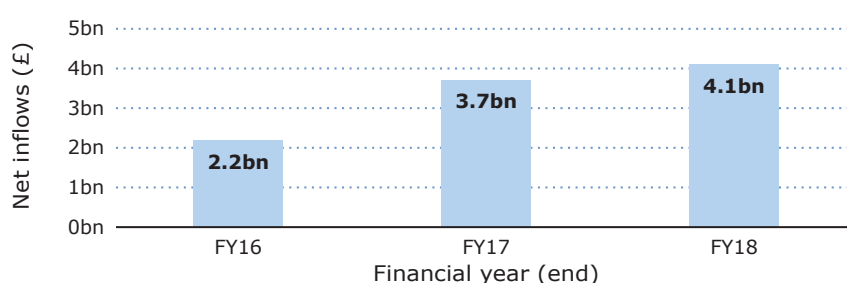
Adviser numbers

The number of advisers using the platform grew by 6% during the year to 5,453, representing steady growth at a rate that enables us to help the advisers “on-board” their clients. We retained the highest net promoter score of the Adviser Platforms in the annual Investment Trends survey (with a significant gap from the platform rated second).

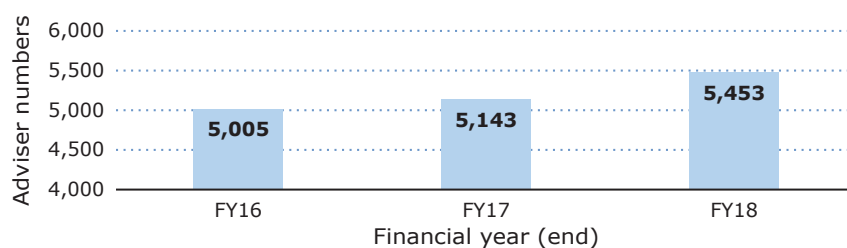
TOTAL FUD



NET INFLOWS



ADVISER NUMBERS





Net promoter score

Based on the 2018 Investment Trends survey of financial advisers, Transact obtained a Net Promoter Score (NPS) of 59%, compared to the next platform that obtained 31%. The measure shows how likely advisers are to recommend Transact to others.

Client numbers

The number of clients on the platform has increased by 10% to 166,000, demonstrating the satisfaction with our service. Especially pleasing is the increasing number of Family Groups on the platform, highlighting the increasing use of trust arrangements and inter-generational planning.

Client retention

Client retention is an important measure of satisfaction. High client retention is also an indicator of ongoing revenue. Our client retention remains at 96% per annum which we attribute to the high level of satisfaction experienced with our service and offering.

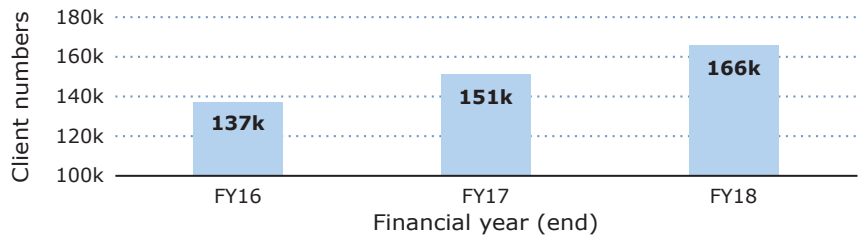
Profit before tax

Growing FUD by attracting and maintaining clients drives revenue. The level of PBT provides an indication of the efficiency of delivery of the Platform service, and is covered in the CFOR.

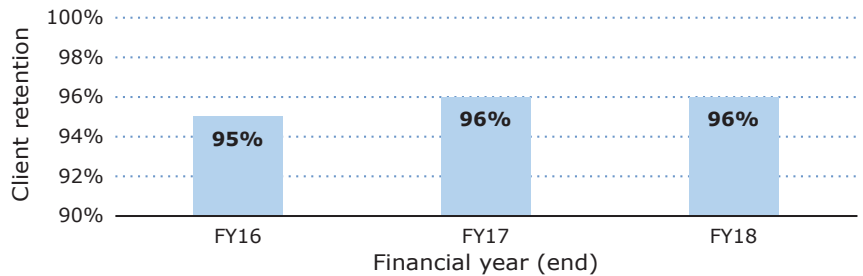
Earnings per share

EPS provides a measure of the value delivered to shareholders, and is covered on page 21 in the CFOR.

CLIENT NUMBERS



CLIENT RETENTION



CHIEF FINANCIAL OFFICER'S REVIEW

As set out in our CEO's report, it has been another positive year with growth in both gross and net inflows, contributing to financial year end FUD of £33.11 billion. Income has continued to grow leading to increased profit even allowing for the one off costs associated with the successful listing of the company.

Our business model has remained unchanged throughout the year and this is expected to continue. Through our differentiated premium offering and the quality of the service we provide to clients and their advisers, we retain and bring new advisers and clients to the Transact platform evidenced by the service awards we win each year, illustrated in our Business Model section. We receive an annual, tiered fee on FUD, together with quarterly wrapper fees for each of the tax wrapper types clients hold, and buy commission on asset purchases.

We continue to invest in our people who are key to delivering our high quality service, as well as investing in the ongoing development of our proprietary technology. These developments allow us to benefit from ongoing process efficiencies which are reflected in our increased operating margin.

There have been a number of events in the financial year that merit comment.

Premium listing on the main market of the LSE

The company was listed on the main market on 2 March 2018. Significant one off costs were incurred in the listing process. Most of these costs, £2.6 million, were incurred in financial year 2018, with a smaller amount, £0.9 million, incurred in financial year 2017. As well as providing IFRS operating profit and operating margin results, we have also provided supplemental, adjusted operating profit and operating margin results to enable consistent comparison between financial years.

Prelisting special dividend

In addition to the ordinary interim dividend declared for the financial year ended 30 September 2017 the company declared a special dividend of £11.4 million in January 2018 prior to listing. This is equivalent to 3.4 pence per share in issue following the listing.

Regulatory capital requirement changes

New regulations governing the capital requirements for Isle of Man insurance companies came into force on 30 June 2018. The new regulations are an economic capital based regime similar to Solvency II. Whilst this change has resulted in a significant increase in the regulatory capital requirement for our Isle of Man insurance subsidiary from £4.1 million to £15.4 million, sufficient regulatory capital has been retained through the period of regulatory consultation to enable the new requirement to be met.

In order to maintain capital above our regulatory risk appetite levels, the Board of our UK investment subsidiary Integrated Financial Arrangements Ltd, which is regulated by the Financial Conduct Authority, has concluded it needs to retain an additional £10.0 million of capital given the growth in scale of the business, increased complexity of the Group and changes in regulations.

FUD, inflows and outflows

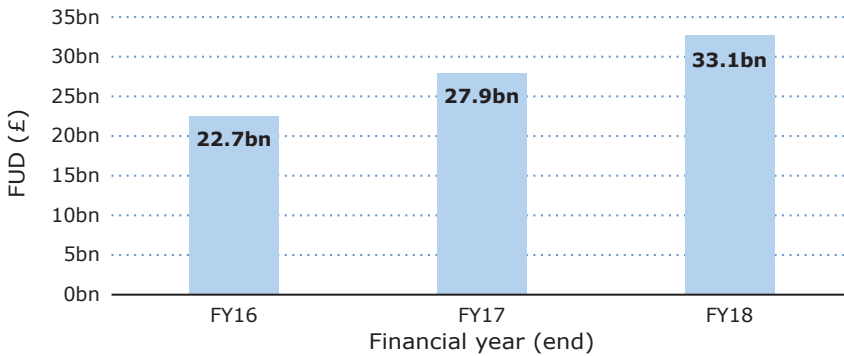
For the financial year ended 30 September	2018 £m	2017 £m
Opening fee generating FUD	27,927	22,686
Inflows	5,957	5,302
Outflows	(1,863)	(1,638)
Net flows	4,094	3,664
Market movements	1,138	1,424
Other movements ¹	(46)	153
Closing fee generating FUD	33,113	27,927
Other FUD ²	0	1
Total closing FUD	33,113	27,928

¹Other movements includes dividends, interest, fees and tax charges and rebates.

²FUD held historically for a single private client, for which the only charge was a nominal fee for custody.

The 2018 financial year has seen continued growth in the level of client inflows onto Transact, despite increased market volatility. FUD ended the year £5.19 billion higher than the 2017 financial year end at £33.11 billion, an increase of 18.6%.

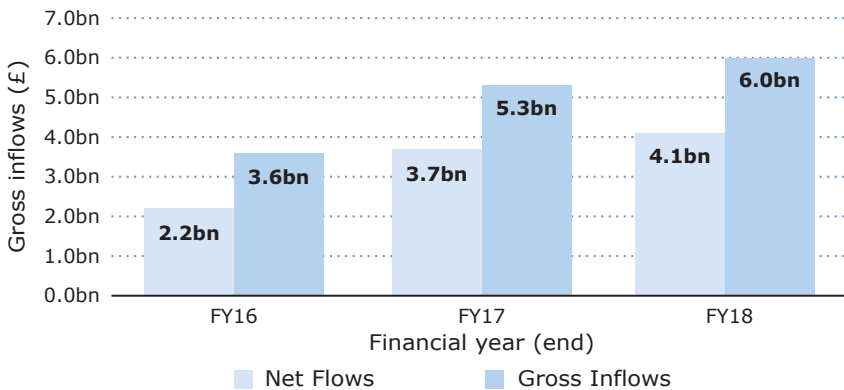
INTEGRAFIN GROUP – TOTAL FUD



This increase in FUD over financial year 2018 was driven by gross inflows of £5.96 billion, averaging £496 million per month, the highest since the platform's inception and 12.4% higher than the 2017 financial year. Generally higher market levels added a further £1.09 billion to FUD,

offset by gross outflows of £1.86 billion which, whilst increasing by £225 million over the year, actually decreased as a proportion of opening year FUD, down from 7.2% to 6.7%. Net inflows for the financial year were 11.7% higher than last year.

INTEGRAFIN GROUP – GROSS & NET INFLOWS



Both advisers with long standing relationships, and new advisers, bring new money to Transact. This may be through new clients and new money or long standing clients placing additional money on the platform. For our continuing success it is as important to maintain strong relationships with advisers and clients who are already using Transact as it is to bring new advisers and new clients to the platform.

At 30 September 2018 the number of registered advisers with funds on the platform averaging greater than £1,000 had increased to 5,453, up 6.0% year on year, whilst over 68% of registered advisers recommending Transact had been using the platform for over five years.

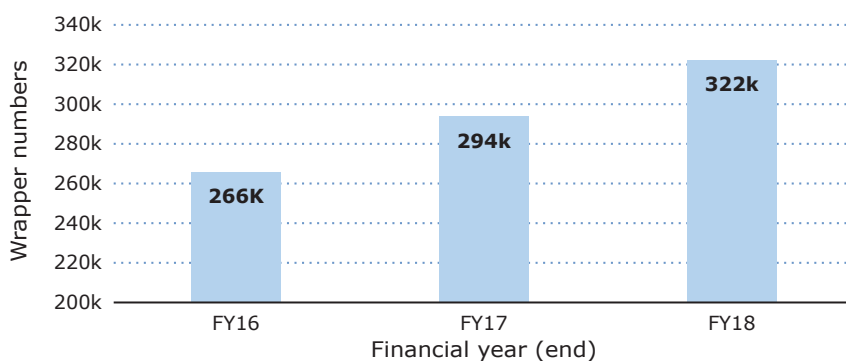
With our focus on premium service delivering strong client retention, over 96% of clients at the start of the year remained on the platform at the end of the year, and attracting new clients, this has seen our total number of clients increase by 9.9% to 166,000 from 151,000. This is reflected in continuing growth in the number of open tax wrappers which has increased by 9.5% over the year.

Financial performance

We have had another positive year with strong revenue growth and increasing profits. Our ability to continue to generate and grow profits is driven by our ability to grow FUD through new inflows and retain existing business whilst managing our expense base.

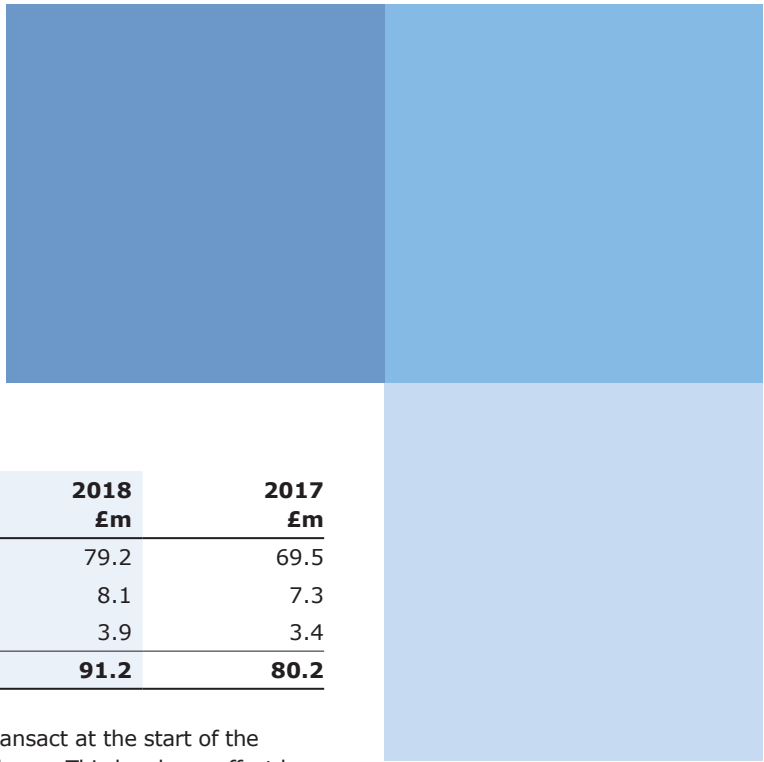
Total gross profit in the financial year to 30 September 2018 increased by £10.8 million, or 13.6%, to £90.4 million from £79.6 million. This has been driven by strong new inflow growth and higher market levels, resulting in an increase in the value of FUD, together with increased client numbers, leading to an increase in the number of tax wrappers held on the platform.

INTEGRAFIN GROUP – TOTAL NUMBER OF WRAPPERS



Income

For the financial year ended 30 September	2018 £m	2017 £m
Revenue	91.2	80.2
Cost of Sales	(0.8)	(0.6)
Gross Profit	90.4	79.6
Operating Expenses	(49.7)	(42.8)
Operating Profit attributable to shareholder returns	40.7	36.8
Interest Income	0.2	0.2
Profit before tax attributable to shareholder returns	40.9	37.0
Tax on ordinary activities	(8.0)	(7.1)
Profit after tax	32.9	29.9



Components of revenue

For the financial year ended 30 September	2018 £m	2017 £m
Annual Commission Income	79.2	69.5
Wrapper Fee Income	8.1	7.3
Other Income	3.9	3.4
Total Fee Income	91.2	80.2

Revenue comprises three elements. Of these, annual commission income and wrapper fee income constitute the recurring revenue. Other income includes “buy commission” and “dealing income”.

Annual commission income increased by £9.7 million, or 14.0%, to £79.2 million in the financial year ended 30 September 2018. This growth was due to the increased value of FUD arising from strong new inflow growth, and market growth. This increase in annual commission income has been achieved even after allowing for full year effects of the reduction in the annual commission rate charge effective from 1 April 2017 and the half year effects of the reduction in annual commission rate thresholds effective from 1 April 2018.

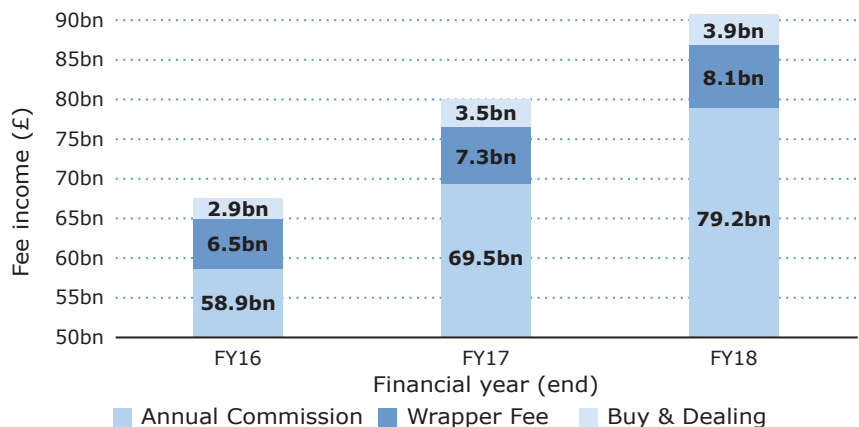
Wrapper administration fee income increased by £0.8 million, or 11.0%, to £8.1 million in the financial year ended 30 September 2018. This was due to an increase in the number of clients on the platform with open tax wrappers and new tax wrappers opened in the year by clients already

using Transact at the start of the financial year. This has been offset by tax wrappers being closed.

Recurring revenue streams constituted 95.7% (2017: 95.8%) of total fee income.

Other income, mainly buy commission and dealing charges, increased due to a higher number of transactions, and an increase in the average value of those transactions. In the financial year ended 30 September 2018 other income increased by £0.5 million, or 14.7%, to £3.9 million.

IHP FEE INCOME



Operating expenses

Total unadjusted operating expenses increased by £6.9 million, or 16.1%, to £49.7 million in the financial year ended 30 September 2018, compared to £42.8 million in the financial year ended 30 September 2017. This increase was mainly due to professional fees and additional staff costs associated with the listing of IHP on the main market of the LSE on 2 March 2018. Staff costs also increased due to increases in our client services staff and systems developers. These increases are focussed on generating ongoing process efficiencies whilst ensuring the continuation of our premium service.

Operating expenses

For the financial year ended 30 September	2018 £m	2017 £m
Staff Costs	35.0	30.5
Occupancy	3.6	3.5
Regulatory and Professional Fees	6.8	4.5
Other Costs	3.7	3.7
Total expenses	49.1	42.2
Depreciation and Amortisation	0.6	0.6
Total Operating Expenses	49.7	42.8

Staff costs increased by £4.5 million, or 14.8%, to £35.0 million in the financial year ended 30 September 2018, compared to £30.5 million in the financial year ended 30 September 2017. There are several factors affecting staff costs in this period aside from general inflationary increases in staff costs, and the budgeted increase in the percentage of salary paid by the Group to the staff money purchase pension arrangement.

Average staff numbers increased to 507 from 451 over the year, an increase of 12.4%. The main area of people growth was in the teams that provide service to advisers and

clients, and reflects both the increase in business volumes and the Group's commitment to maintaining premium service. We have also increased the number of software development staff in order to maximise our ability to continue to drive process efficiencies. Additionally, there were some increases in governance staffing ahead of the listing.

To reward performance and encourage loyalty the company has introduced a Share Incentive Plan (SIP) that is open to all staff and a Performance Share Plan (PSP) for management, as detailed in our Prospectus. Benefits from the SIP

relate to the period post listing and hence only part year costs have been incurred in financial year 2018.

The PSP will be launched in financial year 2019 and therefore no costs have been incurred in financial year 2018. More detail of the cost in financial year 2018 is given in Note 30 in the Financial Statements.

Company paid staff pension contributions were increased by 1.5% of salary from 1 June 2017 with the full annual effect emerging in the last financial year. We plan to make one further increase to contributions of 1.5% of salary which will take effect from 1 January 2019.

The increase in regulatory and professional fees of £2.3 million excluding VAT included in other costs, or 51.1%, in the 12 months to 30 September 2018 compared with the 12 months to 30 September 2017, was mostly due to the increase in professional fees of £2.0 million, or 71.9%. Of this increase £1.7 million is attributable to non-recurring listing expenses, with £2.3 million incurred in financial year 2018 compared with £0.7 million excluding VAT included in other costs in financial year 2017.

Regulatory costs relate to fees charged on the three regulated entities in the Group by the Prudential Regulation Authority, the Financial Conduct Authority and the Financial Services Authority in the Isle of Man, together with Financial Services Compensation Scheme levies in the UK and the Isle of Man. Overall there was a 17.3% increase in these costs over the financial year. This was in part due to increases in business volumes and in part due to an increase in fee levels.

Depreciation and Amortisation costs remained consistent with the prior financial year at £0.6 million, reflecting the program of rolling replacement for IT hardware.

Total capitalised expenditure for the financial year was £0.6 million compared with £0.4 million in the prior year.

Profit before tax attributable to shareholder returns

Over the course of the year we have completed our listing whilst maintaining investment in our infrastructure and people. We have continued to deliver award winning service to our advisers and clients, whilst once again implementing charge reductions that have lowered the costs to our clients.

Adjusted operating profit

For the financial year ended 30 September	2018 £m	2017 £m
Operating profit attributable to shareholder returns	40.7	36.8
Adjustment for listing costs	2.6	0.9
Adjusted operating profit attributable to shareholder returns	43.3	37.7

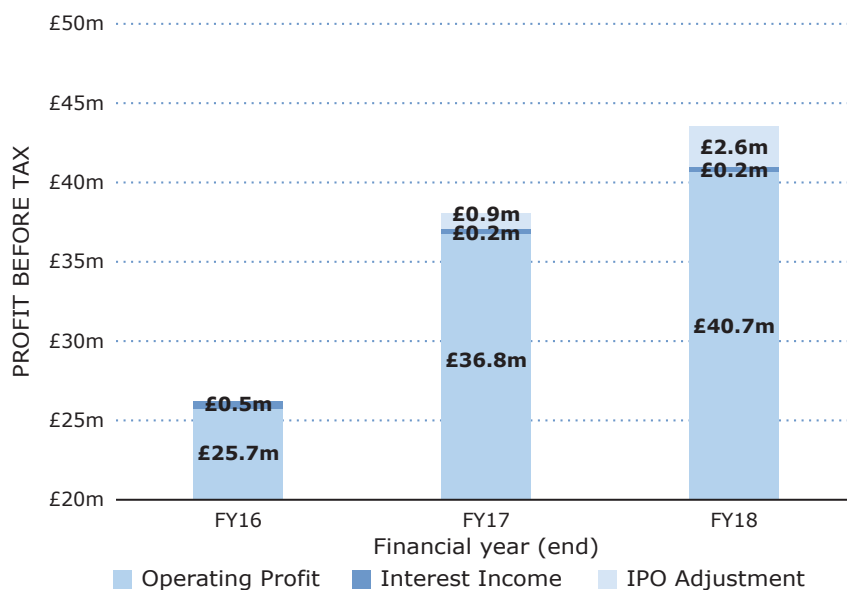
Before adjusting for non-recurring listing costs the operating margin reduced from 45.9% to 44.6%.

After adjusting for non-recurring listing costs the operating margin increased from 47.0% to 47.5%.

Interest income is generated from interest on corporate cash and returns on corporate gilt holdings giving unadjusted profit before tax of £40.9m, adjusted for listing costs to £43.5m in the financial year to 30 September 2018, an unadjusted increase of 10.5%, adjusted 14.8% increase, on the prior year.



IHP – PROFIT BEFORE TAX



Tax

Tax on ordinary activities described below solely comprises the Group’s ‘shareholder corporation tax’ which is distinguished from the ‘policyholder tax’ that the Group collects and remits to HMRC in respect of ILUK, which is taxed under the “I minus E” tax regime.

The Group has operations in three tax jurisdictions, UK, Australia and Isle of Man making Group profits varyingly subject to tax at three different rates, however, the vast

majority of the Group’s income is earned in the UK.

Taxation increased by £0.9 million, or 12.5%, to £8.1 million in the financial year ended 30 September 2018 compared to £7.2 million in the prior financial year. The effective rate of tax over the period increased to 19.9% from 19.4%. This increase is mainly due to listing costs.

Our tax strategy is published on our website at: <https://www.integrafin.co.uk/group-tax-strategy/>

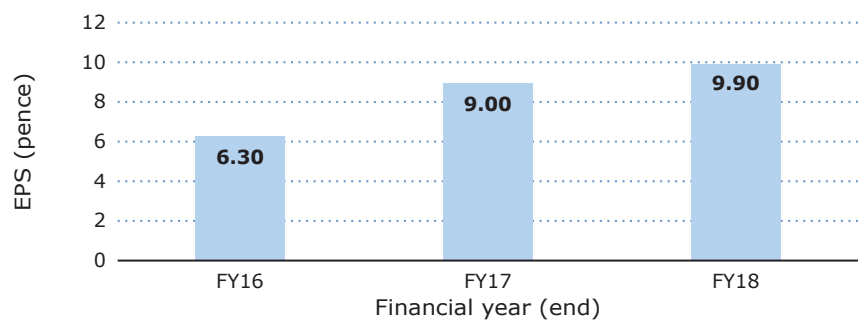
Earnings per share

	2018	2017
	£m	£m
Operating Profit attributable to shareholder returns	40.7	36.8
Interest Income	0.2	0.2
Profit before tax attributable to shareholder returns	40.9	37.0
Tax on ordinary activities	(8.0)	(7.1)
Profit after tax for the period	32.9	29.9
Number of shares in issue	331.3m	331.3m ¹
Earnings per share – basic and diluted	9.9p	9.0p
Profit after tax for the period adjusted to exclude listing costs	35.5	30.8
Number of shares in issue	331.3m	331.3m ¹
Adjusted earnings per share – basic and diluted	10.7p	9.3p

¹Shares in issue restated for financial year 2017 periods to reflect number of shares in issue following the IHP listing.

Earnings per share has grown by 10.0% from 9.0 pence at 30 September 2017 to 9.9 pence at 30 September 2018. Earnings per share adjusted to exclude listing costs has grown by 15.1% to 10.7 pence.

IHP – EARNINGS PER SHARE



Group statement of financial position

Material items on the SOFP include the following:

Intangible assets (Note 11)

The Group's intangible assets of £13.0m as at 30 September 2018 comprises goodwill following the purchase of IAD Pty in July 2016. Goodwill is tested for impairment each financial year.

Deferred acquisition costs and deferred income liability (Note 14 and 20)

Deferred acquisition costs and deferred income liability both increased by £7.8m to £46m. This was due to the level of new business in life insurance wrappers and the financial adviser fees associated with that new business. These two line items always net off exactly but are required to be shown under IFRS.

Investments and cash held for the benefit of policyholders and liabilities for linked investment contracts (Note 15)

Investments and cash held for the benefit of policyholders and liabilities for linked investment contracts both increased £2.5bn to £14.5bn. This increase was due to the increase in the value of FUD held in life insurance wrappers. The increase reflects positive market movements and strong inflows.

ILUK and ILInt match the assets and liabilities of their linked policies such that, in their own individual statements of financial position, and in the Group's consolidated statement of financial position, these items always net off exactly.

Deferred tax liability (Note 21)

Deferred tax liabilities increased by £1.8m to £12.6m. This increase was primarily due to significant market movements in the assets held in onshore bond tax wrappers during the year. Sufficient cash is held to meet this liability.

Liquidity and capital management

The Group monitors its liquidity position on a regular basis, having cognisance to cash and cash equivalent holdings and levels of outgoings. At 30 September 2018 the Group held £116.8 million Cash and cash equivalents compared with £105.8 million at 30 September 2017 with cash generated through trading additionally covering £30.8 million of dividends paid in the year.

Cash is used to expand the business through continued organic growth; enhancing the premium service; further developing the resilience of the Group's systems through investment in technology and infrastructure; as well as paying the operating expenses of the business and paying shareholder dividends. Cash is also held to cover regulatory capital requirements and tax liabilities.

To enable the Group to offer a wide range of tax wrappers there are three regulated entities within the Group, a UK investment firm, a UK life insurance company and an Isle of Man life insurance company. Each regulated entity maintains capital well above the minimum level of regulatory capital, ensuring sufficient capital remains available to fund ongoing trading and future growth.

The regulatory capital requirements and resources in ILUK and ILInt are calculated by reference to economic capital based regimes, and therefore do not directly equate to IFAL's expense-based regulatory capital requirements.

Regulatory Capital

For the financial year ended
30 September 2018

	Regulatory Capital requirements	Regulatory Capital resources	Regulatory Cover
	£m	£m	%
IFAL	21.81	28.78	132.0
ILUK	142.57	183.23	128.5
ILInt	15.35	23.02	150.0

We look to deliver long-term benefits for our clients, our shareholders and our staff. This requires balancing the delivery of our differentiated premium offering and the quality of the service for our clients with our desire to deliver profit growth, capital appreciation and a dividend stream to shareholders whilst providing fair reward to our staff. We maintain sufficient regulatory capital, whilst also retaining an appropriate level of working capital.

Capital

For the financial year ended
30 September 2018

	2018 £m
Total equity	104.9
Loans and receivables, intangibles assets and property, plant and equipment	(16.0)
Available capital pre dividend	88.9
Interim dividend declared	21.2
Available capital post dividend	67.7
Additional risk appetite capital	40.6
Surplus	27.1

Additional risk appetite capital is capital the Board of IHP considers to be appropriate for it to hold to ensure the smooth operation of the business such that it is able to meet future risks to the business plan without recourse to additional capital – see Viability Statement on page 35.

The Board considers the impact of regulatory capital requirements and risk appetite levels on prospective dividends from its regulated subsidiaries. Our Group's Pillar 3 document contains further details and can be found on our website at: www.integrafin.co.uk/legal-and-regulatory-information/

Dividends

As stated in the Chairman’s report the Board has declared an interim dividend of £21.2 million, or 6.4 pence per ordinary share. This is comparable with £19.4 million for the prior year.

Prior to the Company’s listing the share capital was restructured from 1,137,278 shares of £0.05 split

between four share classes into 331,322,014 ordinary £0.01 shares. Holders of A, B and C class shares received 293 ordinary shares for each of these class shares and holders of D class shares received 229.652 ordinary shares for each D class share.

The equivalent comparable dividend per share for the prior year was 5.9 pence.

Dividend Type	Share Class	2018 £m	2017 £m
Ordinary	All	21.2	19.4
Special	All	-	11.4
Per share			
Ordinary	Ordinary	6.4 pence	5.9 ¹ pence
Ordinary	A, B & C	-	£17.18
Ordinary	D Class	-	£13.18
Special	A, B, C & D	-	£10.00

¹Shares in issue restated for financial year 2017 periods to reflect number of shares in issue following the IHP listing.

Alexander Scott
Chief Financial Officer

12 December 2018

RISK AND RISK MANAGEMENT

Overview

Risk management assists the Board in understanding its current and future risks and provides appropriate risk management information that is incorporated into its strategic decision making and business planning processes. Risk management activities encompass all financial, strategic and operational risks that may prevent IntegraFin Holdings plc (the Company or IHP) and the Group from fulfilling their business objectives. Given the nature of the activities undertaken by the Group, the key risks that the Group faces are financial risks (comprising market risk, liquidity risk, outflow risk, expense risk and credit risk) and non-financial risks (comprising regulatory risk, operational risk, competition risk, geopolitical risk and reputational risk).

The Chief Executive Officer, supported by the Chief Financial Officer, is responsible for executing the strategy set by the Board within the risk appetite defined by the Risk Committee of IFAL (IFAL Risk Committee) and approved by the Boards of Directors of each of IFAL, ILUK and ILInt (collectively known as the "Regulated Subsidiaries"). Overall guidance and oversight is provided by the Audit and Risk Committee which reports back to the Board.

The Chief Financial Officer reports directly to the Chief Executive Officer and is additionally accountable to the Board and the Group's regulators for the effective management of risk across the business. The Chief Financial Officer is responsible for overall management of risk controls,

including the monitoring of risk exposures, reporting in relation to risk management arrangements and for assessing the adequacy and effectiveness of policies and procedures designed to detect any risk of failure by any of the Regulated Subsidiaries to comply with their obligations under the regulatory system.

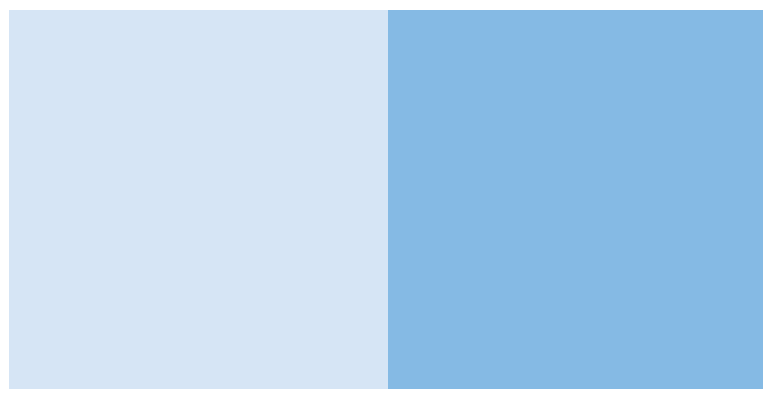
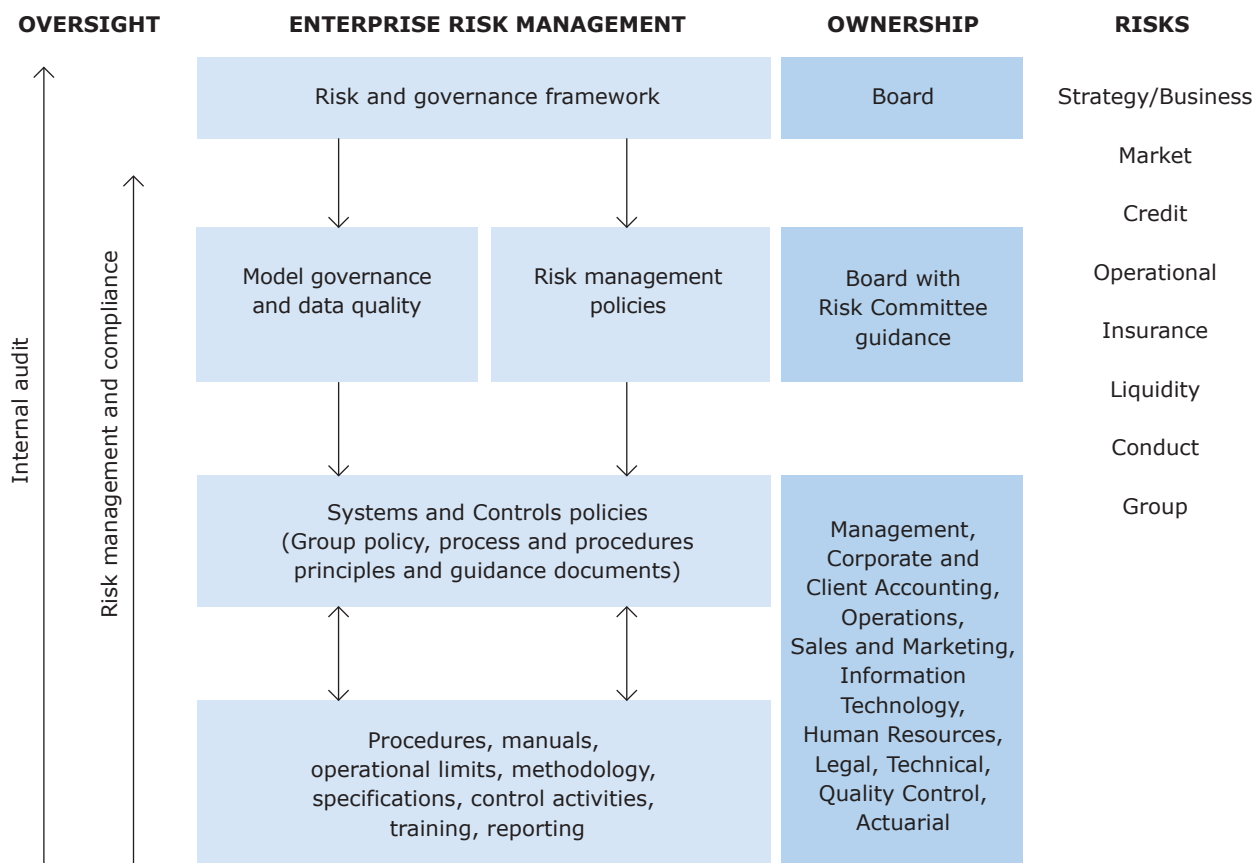
The Group has a prudent capital management approach and currently invests shareholder assets in high quality, highly liquid, short-dated investments.

How risks are managed

The Risk Management Policy provides general guidelines for the design and implementation of the Risk Management Framework with the Board responsible for establishing the risk strategy and Senior Management responsible for its implementation. The Risk Management Policy is overseen by the Chief Financial Officer and is reviewed at least on an annual basis. All material changes to this policy are considered by the IFAL Risk Committee and approved by the Boards of the Regulated Subsidiaries and IHP with guidance provided by the Audit and Risk Committee.

The Board is responsible for, and provides oversight of, the Group's Risk Management Framework with guidance provided by the Audit and Risk Committee. The Group has established its framework with consideration of the Committee of Sponsoring Organisation of the Treadway Commission (COSO) Integrated Framework Principles, providing a consistent, pro-active approach to identification, assessment, mitigation and reporting of risks throughout the Group.

The Group's Risk Management Framework is shown below:





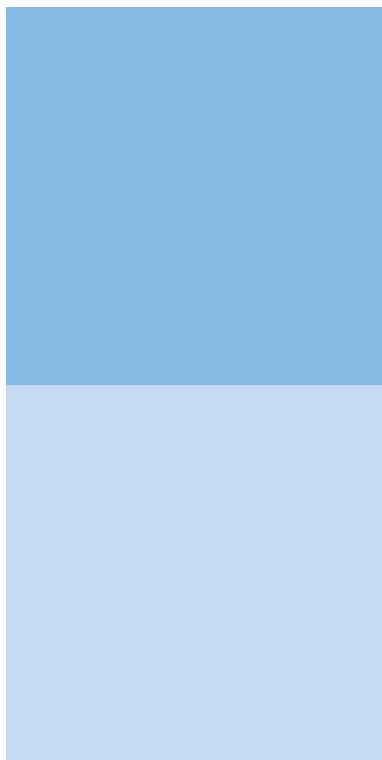
Risk appetite

The Group’s risk appetite is the degree of risk that the Regulated Subsidiaries are prepared to accept in pursuit of their strategic and operational objectives. The Group’s Risk Management Policy and Framework provides the mechanism to define the Group’s risk appetite. The Group has generally adopted an overall conservative approach which is reflected in its risk appetite values and preferences and in the overall approach to risk management. The Group’s risk preferences can be articulated as follows:

- the Group ensures risks that are taken are aligned with its strategic aims and provide an acceptable level of return
- the Group accepts certain risks and ensures that these are appropriately managed, mitigated and monitored
- the Group has a preference for products with low capital requirements and without financial guarantees. Additionally, the Group has a preference for secondary market risk through charges determined based on clients’ portfolio values. This is central to the Group’s proposition and it accepts the potential impact on financial performance

- the Group does not actively seek to take operational risk to generate returns. It accepts a level of operational risk that means the controls in place should prevent material losses, but should not excessively restrict business activities
- the Group has very limited risk appetite for unfair client outcomes arising from systematic failures in its cultural outlook or in any element of the client life cycle
- the Group has very limited risk appetite for material regulatory breaches.

The actual risk exposures of the Regulated Subsidiaries are regularly assessed by the Group’s Risk Management function against risk appetite using a comprehensive set of key risk indicators and reported to the IFAL Risk Committee and Senior Management, with escalation to the Audit and Risk Committee as appropriate.



Risk governance

The Risk Management Framework defines risk governance as the combination of processes and structures implemented by the Board in order to inform, direct, manage and monitor the activities of the Group towards the achievement of its objectives.

The IFAL Risk Committee is made up of independent Non-Executive Directors (NEDs) and is responsible for reviewing the manner in which the Group and the Regulated Subsidiaries implement, and monitor the adequacy of, the Risk Management Framework. The IFAL Risk Committee also assists in fostering a culture that encourages good stewardship of risk and emphasises and demonstrates the benefits of a risk-based approach to management of the Group.

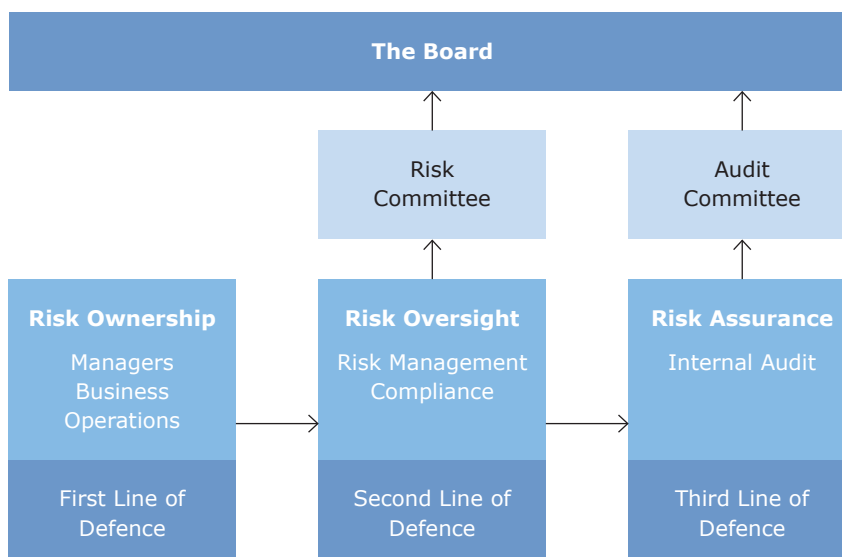
The Group implements a comprehensive “top-down” and “bottom-up” approach to managing risks through regular assessments, monitoring (including horizon scanning) and reporting in conjunction with Senior Management and risk owners. The Risk Management

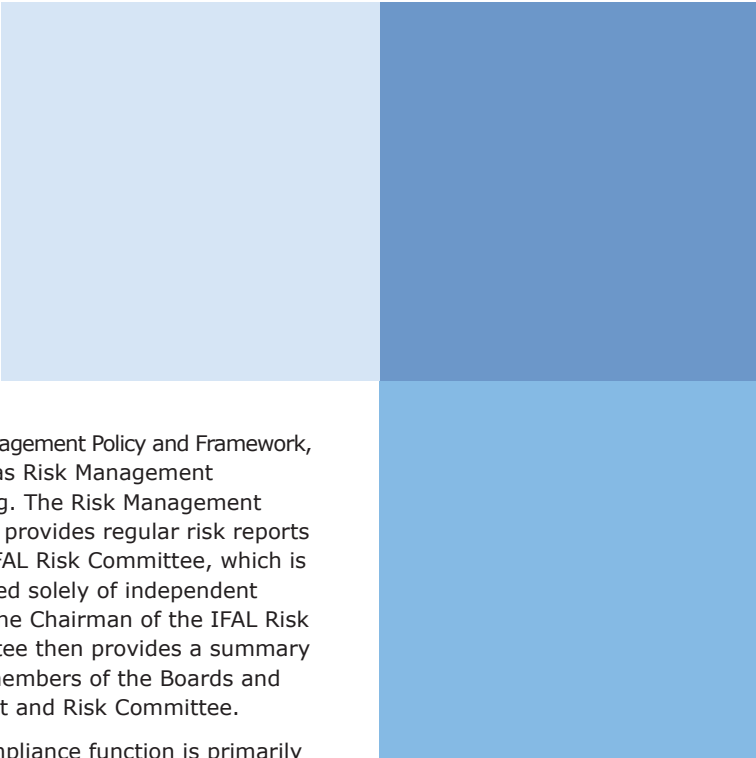
function reports to the IFAL Risk Committee, on at least a quarterly basis, information and analysis on the key risks the Group faces (including forward-looking risks), capital requirements and comparison against risk appetite. The Chairman of the IFAL Risk Committee then provides a summary to the members of the Boards and the Audit and Risk Committee.

The “three lines of defence” risk governance model

For risk management to be effective it is important that the roles and responsibilities of all those involved are clearly defined. Accordingly, the Group’s Risk Management Framework is designed along the “three lines of defence” model (illustrated below), which aims to ensure at least three stages of oversight to ensure that the Regulated Subsidiaries operate within the risk appetite defined by the IFAL Risk Committee and approved by the Boards of Directors of each of the Regulated Subsidiaries.

THE “THREE LINES OF DEFENCE” RISK GOVERNANCE MODEL OF THE REGULATED SUBSIDIARIES:





First line of defence

The Group’s first line of defence is its business departments which have responsibility for managing and controlling their risks in accordance with agreed risk appetites through the implementation of a sound set of processes and controls.

Responsibility for risk management resides at all levels within the Group’s business lines, from the Senior Management Team to department and team managers. All staff members are accountable for managing risks within the business areas for which they are responsible, ensuring compliance with prescribed company plans, policies and prevailing regulatory and legislative requirements.

The business lines are also responsible for complying with the policies and standards which comprise the Group’s Risk Management Framework. Current key risks and issues facing the Group are considered by the Management Team, with each key risk owned by the member of the Management Team who is responsible for the strategic management of that risk across the Group.

Second line of defence

The Group’s second line of defence comprises of two functions: the Risk Management function and the Compliance function.

The Risk Management function is responsible for co-ordinating all the risk management activities within the business. This includes the development, maintenance and enhancement of the

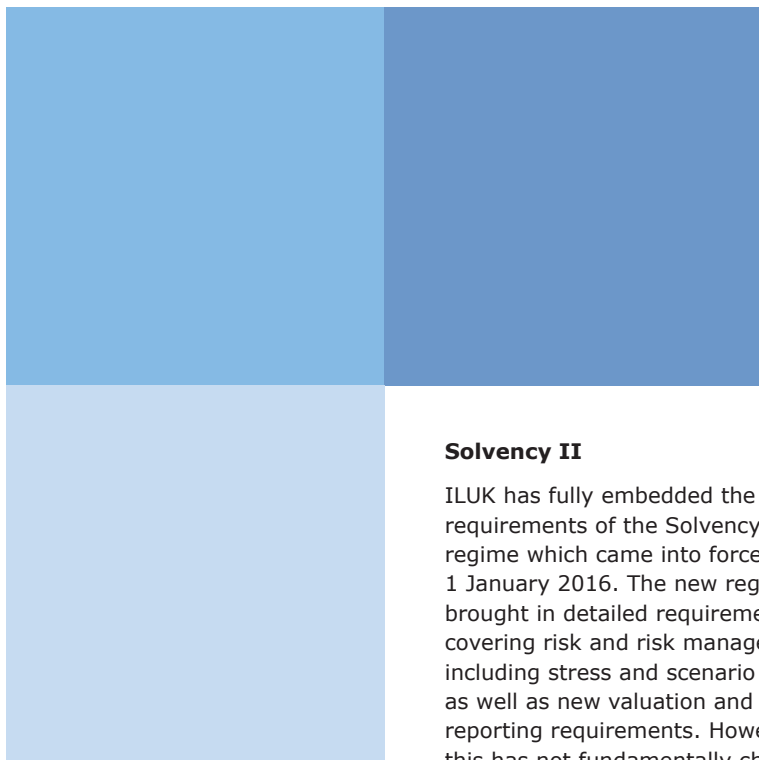
Risk Management Policy and Framework, as well as Risk Management reporting. The Risk Management function provides regular risk reports to the IFAL Risk Committee, which is comprised solely of independent NEDs. The Chairman of the IFAL Risk Committee then provides a summary to the members of the Boards and the Audit and Risk Committee.

The Compliance function is primarily responsible for supporting the Group to ensure that its activities are conducted in accordance with all applicable regulatory requirements.

Third line of defence

The Group’s third line of defence is the Internal Audit department, which provides independent assurance on the adequacy and effectiveness of the Group’s risk management and major business process control arrangements. The Head of Internal Audit reports directly to the Chairman of the IFAL Audit Committee, which is comprised solely of independent NEDs.

Internal Audit performs regular audits across the business which involve assessing the implementation and effectiveness of the Risk Management Policy and Framework. The results of these audits are reported to the IFAL Audit Committee. The Chairman of the IFAL Audit Committee then provides a summary to the members of the Boards and the Audit and Risk Committee. The Board is satisfied that Internal Audit provides sufficient assurance about the Risk Management Policy and Framework.



Solvency II

ILUK has fully embedded the requirements of the Solvency II regime which came into force on 1 January 2016. The new regulations brought in detailed requirements covering risk and risk management, including stress and scenario testing, as well as new valuation and reporting requirements. However, this has not fundamentally changed ILUK's business or risk profile and ILUK continues to safely manage its solvency position through the economic cycle.

ILUK has adopted the Standard Formula approach in calculating the Solvency Capital Requirement (SCR), and has not adopted any of the Transitional Provisions in the calculation of the Solvency II balance sheet or SCR. As at 30 September 2018, ILUK has Own Funds of £183m and an SCR of £143m which gives a solvency coverage ratio of 129%.

Isle of Man Risk Based Capital regime

The Isle of Man's Risk Based Capital regime based on Insurance Core Principles came into force on 30 June 2018.

As at 30 September 2018, ILInt has Own Funds of £23.0m and a Solvency Capital Requirement (SCR) of £15.4m which gives a SCR coverage ratio of 150%. During the reporting period, the Company has been fully compliant with the SCR. Additionally, the Risk Based Capital balance sheet and SCR are regularly monitored and in line with standard regulatory requirements reported to the Isle of Man Financial Services Authority on a quarterly basis.

ILInt maintains a sound and appropriate system of capital management in order to meet its strategic capital objectives. ILInt has a preference for a simple system of capital management which reflects the nature of the business. At a legal entity level, ILInt is capitalised at the required SCR plus an adequate buffer defined as part of its capital management, risk appetite and dividend policies.

PRINCIPAL RISKS AND UNCERTAINTIES

There have been no significant changes in the principal risks for the Group in the past year. The principal risks and uncertainties to which the Company is exposed relate to the upstream of capital, predominantly from its regulated subsidiary, IFAL, in order to support its dividend-paying capacity to its shareholders. The key drivers of this upstream of capital are the underlying financial performance and solvency position of IFAL and its regulated subsidiaries. In summary, due to the nature of the business written by IFAL and the other regulated subsidiaries, profitability arises primarily from charges on the assets held in the portfolios less the expenses of administering those portfolios. As a consequence, the predominant risks to which the

Company is exposed are market risk, liquidity risk, outflow risk, expense risk and operational risk. The Company seeks to limit its exposure to these and any other applicable financial and non-financial risks.

The process of negotiation relating to the UK's exit from the EU following the service of notice under Article 50 of the EC Treaty in March 2017 has resulted in uncertainty in relation to the eventual outcome of those negotiations, which is giving rise to some delays or deferrals of investment decisions by businesses and individuals. This uncertainty is likely to continue until clarity is obtained in relation to the precise terms on which the UK will leave the EU, the likely form and shape of its trading relationships with the EU and other countries with whom it has, or wishes to have, significant trading

relationships thereafter and the length of any transitional period prior to the UK's ultimate departure taking effect. In addition, as a significant proportion of the current and anticipated regulatory regime applicable to the Regulated Subsidiaries in the UK is derived from EU Directives and Regulations, the UK exiting the EU could materially change the legal and regulatory framework applicable to the Group's operations because the Regulated Subsidiaries are no longer required to adhere to the Directives and Regulations, including in relation to regulatory capital requirements.

The following tables (split between financial and non-financial risks) describe the key risks of the Company with a summary description of how we manage and mitigate the risks and an assessment of the change over the year:

FINANCIAL RISKS

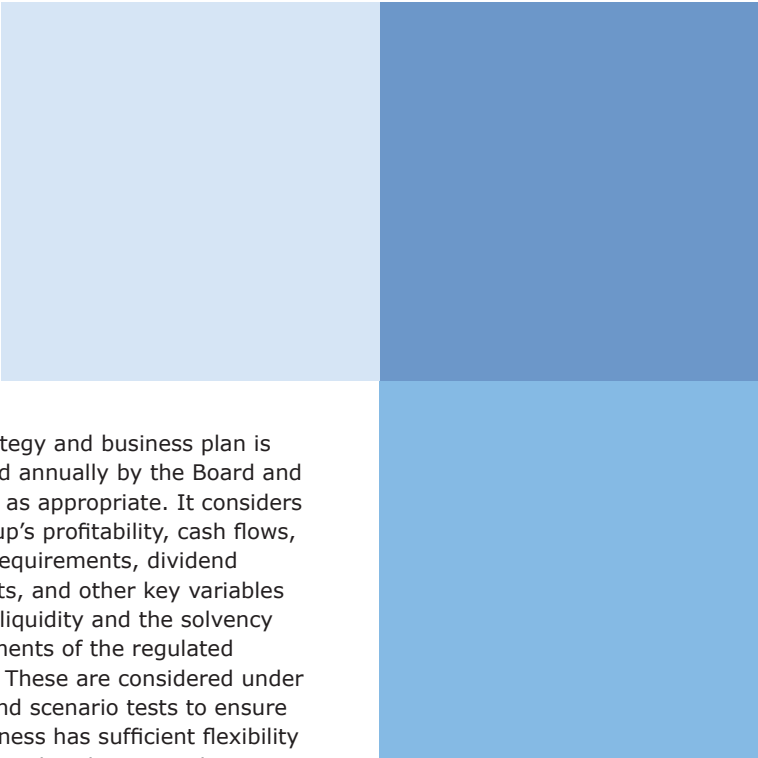
KEY RISK DESCRIPTION	MANAGEMENT AND CONTROLS	MANAGEMENT AND CONTROLS
Market risk – the impact changes in equity and property market values, currency exchange rates, credit spreads, interest rates and inflation, may have on the value of clients' portfolios, resulting in a reduction in future charges or an increase in future expenses.	<p>The upstream of capital to the Company is exposed to second order impacts from market movements as future charges are predominantly determined based on clients' portfolio values. The Regulated Subsidiaries of the Group do not offer any guarantees on portfolio values and currently invest their shareholder assets in high quality, highly liquid, short-dated investments.</p> <p>Expense inflation risk is mitigated through regular stress testing, monitoring of expenditure and closely managing expenses in line with the business plan.</p>	Increased due to the growth of funds under direction and increased market volatility and uncertainty.

KEY RISK DESCRIPTION	MANAGEMENT AND CONTROLS	MANAGEMENT AND CONTROLS
<p>Liquidity risk – this is the risk of the Company not having available sufficient financial resources to enable it to meet its obligations as they fall due, or can secure such resources only at excessive cost.</p>	<p>The Company’s principal liquidity risk is limited to paying out dividends and operating expenses as they occur.</p> <p>There are robust controls in place to mitigate liquidity risk, for example, holding corporate cash across a range of banks, in order to mitigate the risk of a single point of counterparty default failure.</p>	<p>No change.</p>
<p>Outflow risk – loss of future profits due to more clients than expected terminating policies or more outflows (e.g. withdrawals or transfers) than expected.</p>	<p>The Group seeks to mitigate outflow risk by focussing on providing the highest level of service that it can. Outflow rates are closely monitored and unexpected experience is investigated.</p> <p>Despite the current challenging and uncertain economic and geopolitical environment, outflow rates remain low and stable.</p>	<p>Increased due to the growth of funds under direction.</p>
<p>Expense risk – administration costs exceed expense allowance, which can occur due to costs increasing faster than expected or from one-off expense “shocks”.</p>	<p>As a significant percentage of the Group’s expenses are staff-related, the key inflationary risk arises from salary inflation. Expense risk is mitigated through regular stress testing, monitoring of expenditure and closely managing expenses in line with the business plan which is set and approved by the Board on an annual basis.</p>	<p>Increased due to the growth of the business.</p>
<p>Credit risk – loss due to defaults from holdings of cash and cash equivalents, deposits, formal loans and reinsurance treaties with banks and financial institutions.</p>	<p>The Group seeks to invest its shareholder assets in high quality, highly liquid, short-dated investments. Maximum counterparty limits are set for banks and minimum credit quality steps are also set.</p>	<p>No change.</p>

KEY RISK DESCRIPTION	MANAGEMENT AND CONTROLS	MANAGEMENT AND CONTROLS
<p>Regulatory risk – the risk of new regulatory requirements having adverse impacts on the Group’s business model, or the Group failing to comply with existing or new regulations resulting in a fine or regulatory censure.</p>	<p>Regulatory risk is mitigated through regular monitoring of regulatory developments and maintaining open and transparent dialogue with the regulators to which the different regulated subsidiaries are subject.</p> <p>On-going compliance with existing rules is monitored by the Compliance function with additional assurance provided by the Internal Audit function for the key regulatory risks on a regular basis.</p>	<p>Increased due to the introduction of new regulatory requirements.</p>
<p>Operational risk – the risk of loss arising from inadequate or failed internal processes, people and systems, or from external events.</p>	<p>The key operational risks are information security, IT infrastructure and business continuity related, all of which include exposures to cyber risks.</p> <p>The Group aims to minimise its operational risks at all times through a strong and well-resourced control and operational structure. In particular, the Group has in place a dedicated financial crime team and an on-going fraud and cyber risk awareness programme. Additionally, the Group carries out regular IT system maintenance, business continuity planning testing and system vulnerability testing.</p>	<p>No change.</p>

KEY RISK DESCRIPTION	MANAGEMENT AND CONTROLS	MANAGEMENT AND CONTROLS
<p>Competition risk – the risk of competitor activity resulting in loss of new business, increased outflows of business or pressure on profit margins.</p>	<p>Competitor risk is mitigated by focussing on providing exceptionally high levels of service and being responsive to client and financial adviser demands through an efficient expense base.</p>	<p>No change.</p>
<p>Geopolitical risk – the risk of changes in the political landscape disrupting the operations of the business or resulting in significant development costs.</p>	<p>Geopolitical risk cannot be directly mitigated by the Group. However, through close monitoring of developments through its risk horizon scanning process, potential impacts are taken into consideration as part of the business planning process.</p>	<p>Increased due to the increased uncertainty from the geopolitical environment, e.g. the UK’s expected exit from the EU.</p>
<p>Reputational risk – the risk that current and potential clients’ desire to do business with the Group reduces due to perception of the Transact service in the market place.</p>	<p>The Risk Management Framework provides the monitoring mechanisms to ensure that reputational damage controls operate effectively and reputational risk is mitigated, to some extent, by internal operational risk controls, error management and complaints handling processes as well as root cause analysis investigations.</p>	<p>Increased following the successful listing of the company.</p>

The Directors have carried out a robust assessment of the principal risks facing the Group, including those that would threaten its business model, future performance, solvency or liquidity.



VIABILITY STATEMENT

Prospect assessment and assumptions

Key factors affecting the Group's prospects are its market position and recurring revenue.

Market position

Independent research consistently rates Transact as the top platform in the market (page 11). The number of advisers using the platform increased by 6% during the year and the number of clients on the platform increased by 10% demonstrating satisfaction with the service provided.

Recurring revenue

The absolute level of revenue is dependent on market values, but key to the recurrence is the retention of FUD which is achieved through retaining clients and advisers through our service delivery. 96% of revenue is of recurring nature (page 17).

The Group is targeting organic revenue growth, with moderate margin improvements driven by efficiency delivered from process and system enhancement.

It is the Board's view that a three year time horizon is an appropriate period over which to assess its viability and prospects, and to execute its business plan. This assessment period is consistent with the Group's current business plan projections and the ICAAP and ORSAs of the Group's regulated entities.

The strategy and business plan is approved annually by the Board and updated as appropriate. It considers the Group's profitability, cash flows, capital requirements, dividend payments, and other key variables such as liquidity and the solvency requirements of the regulated entities. These are considered under stress and scenario tests to ensure the business has sufficient flexibility to withstand such impacts by adjusting its plans within the normal course of business.

The Directors' assessment has been made with consideration and reference to: the Group's current position and business plan; the Group's risk appetite; the Group's financial projections; and the Group's principal risks and uncertainties, as detailed in the Strategic Report.

Going concern

The Group continues to maintain a robust financial position. Having conducted detailed cash flow and working capital projections and appropriate stress-testing on liquidity, profitability and regulatory capital, taking account of possible adverse changes in trading performance, the Board is satisfied the Group is well placed to manage its business risks. The Board is also satisfied that it will be able to operate within the regulatory capital limits imposed by regulators, being the Financial Conduct Authority (FCA), Prudential Regulation Authority (PRA), and Isle Man Financial Services

Authority (IoM FSA). Accordingly, the Board have concluded that the Group has adequate resources to continue in operational existence for the foreseeable future, being a period of at least 12 months from the date this Annual report is approved. For this reason, they have adopted the going concern basis for the preparation of the Financial Statements.

Viability Statement

In accordance with the Code, the Directors have assessed the Company's prospects by reference to the three-year planning period to September 2021, and have reasonable expectation that the Company will continue to operate and meet its liabilities as they fall due over the period of this assessment.

Alexander Scott
Chief Financial Officer

12 December 2018

CORPORATE SOCIAL RESPONSIBILITY

IntegraFin is committed to acting ethically and with integrity and transparency in all business dealings. IntegraFin demonstrates its social responsibilities primarily through its relationship, as ultimate parent company, with companies in its Group that operate ethically and deliver commercial benefits to stakeholders. IntegraFin also acknowledges its responsibilities more widely in relation to the company's effects on environmental and social wellbeing.

Employee wellbeing

The Group recognises that one of its main assets is the staff employed. The Group strives to ensure all staff are motivated, respected and safeguarded whilst at work. This is achieved through ensuring staff have the opportunity to develop and progress, that the work environment is maintained and comfortable, and that any additional requirements staff may have are considered.

The Group recognises that work life balance is important, and strives to ensure staff attain the right mix. This is achieved through allowing flexible working patterns wherever possible, albeit ensuring it is not to the detriment of internal and external stakeholders.

The Group aims for a collegiate, industrious and sociable environment, and this is encouraged through various social and charity events that are arranged for staff.

Human rights are respected by management and all staff and other stakeholders are treated equitably.

Gender balance

The gender balance of those in senior management positions (being the layer below the Board) and of their direct reports as at September 2018 was as follows:

		Male %		Female %
Board Directors	5	71.4	2	28.6
Senior Managers	7	58.3	5	41.7
Direct Reports	24	57.1	18	42.9
All Staff	308	66.7	154	33.3
Total	344	65.8	179	34.2

Culture

Transact was founded on the principle of offering adviser firms and clients a high quality service with transparent charging and a demonstrably agnostic attitude to clients' investment choice. This ethical approach informs all of the Group's business principles.

Payment practices

IntegraFin endeavours to pay all suppliers within agreed payment terms. It does not seek to disadvantage, or compromise, suppliers with whom it conducts business. In financial year 2018 the Group paid 90% of suppliers within 15 days.

Modern slavery

IntegraFin does not tolerate modern slavery, servitude, human trafficking or forced labour. The Group's modern slavery statement is found at: www.integrafin.co.uk/modern-slavery/

Gender pay gap

IntegraFin published its first gender pay gap report in March 2018. IntegraFin compares favourably with results reported by others in the sector in which it operates and the national average. The company remains committed to continuous

improvement by: ensuring recruitment is not discriminatory; all staff are treated equitably; all staff have equal opportunities to work flexibly, regardless of seniority or role; and, all staff are remunerated fairly and in line with the role they perform.

Disabled employees

IntegraFin's policy regarding employment, training, career development and promotion of disabled employees, and employees who became disabled whilst in employment, is to make reasonable adjustments as necessary.

Environment

IntegraFin has reduced its environmental impact during the year by continuing efforts to reduce waste.

The average volume of waste materials being recycled by the Group has risen by 21% year on year, this has been achieved through staff education, more recycling points and reducing the Group's consumption of single use plastic. We are encouraging adviser firms and clients to use electronic, rather than paper based, instruction delivery and statements, with some success.

Greenhouse gas emissions

IntegraFin has historically not tracked its greenhouse gas emissions as this was not required prior to admission to the LSE. The Group does, however, comply with the Energy Saving Opportunity Scheme and is taking energy improvement measures, as identified in the last assessment.

Community

A variety of events is organized each year to raise money for, and awareness of, a number of charities chosen from staff suggestions.

Political donations

The Group does not make political donations.

Tax strategy

The Group's tax affairs are managed to the same high ethical, legal and professional standards as the delivery of the Group's services to clients. In summary, the Group's tax strategy is to comply fully with all statutory obligations, make full disclosure to tax authorities in all appropriate jurisdictions, and to pay all tax when it is due. The full tax strategy document is available at: www.integrafin.co.uk/group-tax-strategy/

The Group pays all tax as it falls due and makes full disclosure to all relevant tax authorities.

The UK corporation tax and employer's national insurance payable in respect of the year ended 30 September 2018 was £11.0m (2017: £9.2m). In addition other taxes such as VAT and business rates were paid.

APPROVAL OF THE STRATEGIC REPORT

A statutory requirement of the Annual Report is that the Directors produce a Strategic Report.

Section 172 of the Companies Act states that directors must "promote the success of the company for benefit of its members as a whole".

The Strategic Report should provide shareholders with a comprehensive and balanced overview of the Group's business model, strategy, development, performance, position and future prospects. The Strategic Report should be clear, concise and unambiguous.

The Directors believe that the Strategic Report on pages 2 to 37 meets all relevant requirements.

By order of the Board

David Johnson
Company Secretary

12 December 2018

GOVERNANCE

BOARD OF DIRECTORS TO 30 SEPTEMBER 2018



Christopher Munro
Non-Executive Interim Chair

Appointed to the Board:
1 February 2017

- Non-Executive Director of the Group from 29 March 2017
- Interim Chair of the Group from 22 August 2018

Experience includes:

- London and Continental Partners LLP – Founding Partner 2016
- Beckwith Asset Management – Director 1994-2016
- Pacific Capital Partners – Director 2004 to present
- Jupiter Enhanced Income Trust – Director 1996 and 2009
- River & Mercantile Investment Management – CEO 1994-1996
- Robert Fleming Holdings Limited – Director 1988-1994
- Jardine Fleming Holdings – Director 1983-1986.

Committees:

Remuneration Committee,
Audit and Risk Committee,
Nomination Committee (Chair).

There have been no changes to Christopher Munro's commitments throughout the financial year.



Michael Howard
Executive Director

Appointed to the Board:
11 February 2014

- Co-founded the Group in 1999, Executive Chair of the Group from 2001 until stepping down in October 2017 and becoming Executive Director
- Founded ObjectMastery in Australia in April 1992 which developed the software underpinning Transact

Experience includes:

- Norwich Union Life Insurance – responsible for marketing and administration of investment funds including the launch of the platform Navigator in 1990
- Touche Ross – Audit division in Melbourne office 1984-1986, in London office 1980-1984.



Ian Taylor
Chief Executive Officer

Appointed:
24 January 2014

- Chief Executive Officer of the Group since April 2002, prior to which he was Executive Director and General Manager from 1999 to 2002

Experience includes:

- AIB Govett Asset Management – Marketing Director 1992-1999
- Royal Life Holdings Group – Marketing Development Manager 1990-1992, Business Planning Manager 1988-1990.

Committees:

Nomination Committee.



Alexander Scott
Chief Financial Officer

Appointed to the Board:
 11 February 2014

- Executive Director of the Group since 2011
- CFO since November 2010
- Head of Risk from November 2010 to May 2013
- Joined the Group as Actuary and Head of Group Technical Operations in October 2009

Experience includes:

- Sterling Insurance Group – Life Director and Chief Actuary 2004-2009
- Criterion Assurance Group – Non-Executive Director 2003-2010, Group Director 2002-2003, Director 1999-2002, Actuary 1997-1999
- National Provident Institution – Actuarial Division 1991-1997.



Neil Holden
Independent Non-Executive Director

Appointed to the Board:
 11 February 2014

Experience includes:

- Stanbic International Insurance Limited – Non-Executive Director since 2003
- Crocus Home Loans Limited – Non-Executive Director 2014 to present
- Saffron Building Society – Non-Executive Director 2014 to present
- Albaco Limited – Non-Executive Director since 1 October 2018
- Sberbank CIB (UK) Limited – Non-Executive Director since 1 October 2018
- Calmindon Limited – Director 2010-2017
- Bank of London and The Middle East Plc – Non-Executive Director 2006-2018
- Quadrant Risk Management International Limited – Non-Executive Director 2006-2009
- Standard Bank Group and Standard Bank Plc – Consultant 2006-2008, Managing Director in Corporate and Investment Banking Financial Risk 1999-2006
- WestLB – Director and Head of Risk Management Support & Control 1996-1998.

Committees:

Audit and Risk Committee (Chair),
 Remuneration Committee (Chair).



Caroline Banszky
Independent Non-Executive Director

Appointed to the Board:
 22 August 2018

Experience includes:

- 3i Group plc – Chair of Audit & Compliance Committee 2014 to present
- Gore Street Energy Storage Fund plc – Chair of Audit Committee 2017 to present
- The Open University – Member of the Investment Committee 2016 to present
- The Law Debenture Corporation p.l.c – Chief Executive 2002 to 2016
- SVB Holdings PLC, now Novae Group plc, COO 1997 to 2002
- N M Rothschild & Sons Limited – Finance Director 1995 to 1997.

Committees:

Audit and Risk Committee.



Victoria Cochrane
Senior Independent
Non-Executive Director

Appointed to the Board:
28 September 2018

Experience includes:

- Euroclear Bank SA/NV –
Non-Executive Director 2016 to present
- Perpetual Income and Growth
Investment Trust plc –
Non-Executive Director 2015 to present
- HM Courts and Tribunal Service –
Non-Executive Director 2014 to present
- Bowater Industries Ltd –
Non-Executive Director 2014 to 2017
- Gloucester Insurance Ltd –
Non-Executive Director 2008 to 2013
- Ernst & Young (Global) –
Global Executive Board Member
2008 to 2013
- Ernst & Young (NEMIA and UK) –
Executive Board Member 2006 to 2008

Committees:

Audit and Risk Committee,
Nomination Committee.

Judith Davidson, Jeremy Brettell and Stuart Bazely resigned as directors on 1 October 2017 in preparation for the listing. Patrick Snowball resigned as Non-executive Chair on 22 August 2018.

Caroline Banzsky was appointed a Non-executive Director on 22 August 2018 and Victoria Cochrane was appointed as a Non-executive Director on 28 September 2018.

All other Directors were in office throughout the financial year up to the date of the report.



CORPORATE GOVERNANCE REPORT

Introduction

IntegraFin Holdings plc ("IHP", the "Company") is required to comply with the 2016 UK Corporate Governance Code ("Code"), however IHP is already considering what actions it needs to take to comply with the new 2018 Code issued in July 2018 which will not apply until 30 September 2019. IHP's Board considers the terms of the Code in determining appropriate and proportionate corporate governance arrangements for the Group as the nature, scale and complexity of its business evolves. Accordingly, the Group's corporate governance arrangements reflect the standards of practice required by the Code in relation to the management of the Group and are designed to:

- Promote business effectiveness, efficiency, responsibility and accountability;
- Assist the effective review and monitoring of the Group's activities;
- Help identify and mitigate significant risks to the Group; and
- Provide the necessary disclosures to stakeholders to make a meaningful analysis of the Group's business activities and its financial position.

Statement of compliance

The Code sets out the principles and provisions relating to good governance of UK listed companies and can be found on the FRC's website at www.frc.org.uk.

The following report sets out how the Company has complied with the provisions of the Code, with the exception of the composition of the Remuneration Committee which is discussed below.

Detailed reporting on remuneration can be found in the Directors' Remuneration Report on page 56 to 78.

Board of Directors

Christopher Munro

Interim Independent Non-Executive Chair

Michael Howard

Executive Director

Ian Taylor

Chief Executive Officer ("CEO")

Alexander Scott

Chief Financial Officer ("CFO")

Neil Holden

Independent Non-Executive Director

Caroline Banzsky

Independent Non-Executive Director

Victoria Cochrane

Senior Independent Non-Executive Director

A number of appointments took place in the financial year, including the appointment of Christopher Munro as Interim Chair following Patrick Snowball's resignation in August 2018, and the appointment of two additional independent Non-Executive Directors, Caroline Banzsky in August 2018 and Victoria Cochrane in September 2018.

The role of the Board

Board leadership

The Board is responsible for leading and controlling the Company and has overall authority for the management and conduct of the Group's business, strategy and development. The Board is also responsible for ensuring the maintenance of a sound system of internal controls and risk management (including financial, operational and compliance controls) and for reviewing the overall effectiveness of systems in place as well as for the approval of any changes to the capital, corporate and/or management structure of the Group.

The Board promotes the long-term success of the Company and the Group and ensures effective operational management and strategic development of the proposition, having due regard to all stakeholders including safeguarding of its clients' interests. To achieve these goals the Board:

- Ensures the Company acts at all times within the articles of association;
- Ensures the Company and the Group implements good management policies and practices to ensure that the Company and the Group are managed in an accountable, efficient and effective manner;
- Considers and scrutinises advice and reports from the executive and, where appropriate to the Company and Group, matters escalated by the Committees;
- Reviews and approves the annual report and accounts, half-yearly reports and quarterly financials for the Company on a stand-alone basis and on a consolidated basis in relation to the Group and IFAL Group together;

- Ensures the Company and the Group as a whole remains compliant with all applicable statutory standards, rules and guidelines;
- Considers and approves appointments to the Board and approves the remuneration arrangements for Directors within the terms of the Remuneration Policy; and
- Approves the appointment of any providers of outsourced services to the Company or Group and reviews and considers their performance.

Relations with stakeholders

The Board maintains close relationships with the Company's institutional shareholders through periodic meetings. Board members receive copies of the latest analysts' and brokers' reports on the Company along with a quarterly Investor Analytics report which details the top shareholders, shareholder history, top buyers and sellers, market analysis and share price performance to aid familiarity with details of shareholdings.

The CEO and CFO hosted shareholder roadshows where the Company's half year results were presented to institutional investors invited by the Company's brokers.

In September 2018 the Company appointed Victoria Cochrane as Senior Independent Non-Executive Director (SID). The Chair, SID and other Non-Executive Directors are available for consultation with shareholders upon request and will attend and be available for questions at and after the AGM, further details of which will be sent out in the Notice of Annual General Meeting.

Board composition

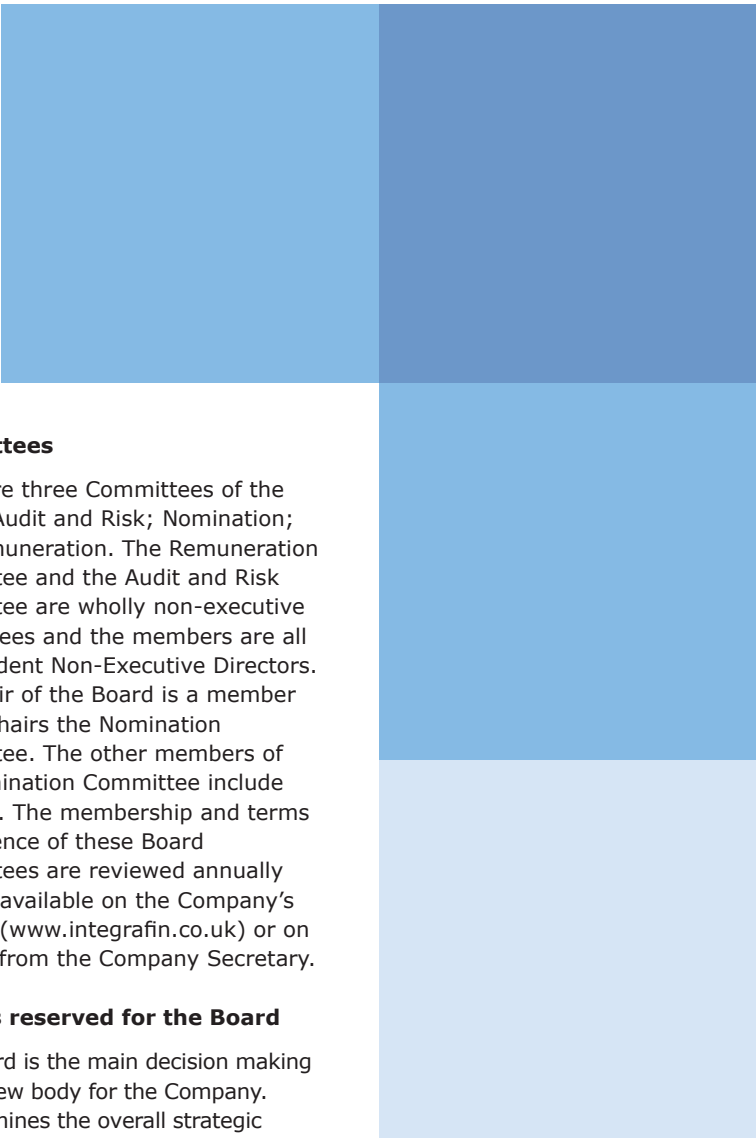
The Company has three Executive Directors and four independent Non-Executive Directors (including the Chair) and therefore complies with the Code in respect of the board composition for a company that is not a small company.

The Code recommends that at least half the board of directors of a UK listed company, excluding the chair, should comprise Non-Executive Directors determined by the Board to be independent in character and judgement and free from relationships or circumstances which may affect, or could appear to affect, this judgement.

Independence

Taking into account the provisions of the Code, the Board has determined that all of the Non-Executive Directors are "independent Non-Executive Directors" within the meaning of the Code and remain free from any business or other relationship that could materially interfere with the exercise of their independent judgement.

The Code recommends that a chair should meet the independence criteria set out in the Code on appointment. The Board has concluded that Christopher Munro is an independent chair for Code purposes. The Chair's other commitments are listed in his biography and the Company has concluded these do not affect his ability to undertake the role. Any significant commitments must be disclosed to the Board as and when they arise for consideration.



Conflicts of interest

The Company's articles of association permit the Board to consider and authorise situations where a Director has an actual or potential conflict of interest in relation to the Group. The Company maintains a conflicts of interest register which is reviewed annually by the Board. In addition, prior to each Board meeting, the Directors are asked to declare any conflicts they may have with regard to the business meeting. Directors who declare a conflict of interest may be authorised by the rest of the Board to participate in decision making in accordance with section 175 of the Companies Act 2006.

The Board considers and, if appropriate, authorises any conflicts or potential conflicts of Directors and imposes any limitations, qualifications or restrictions as required. Additionally, when making new appointments, the Board takes into account other demands on Directors' time. Significant commitments are disclosed with an indication of time involved and any additional external appointments must be approved in advance by the Company.

The Board has also reviewed the other commitments of the Non-Executive Directors and concluded they are satisfied that the Non-Executive Directors remain able to commit sufficient time as required to the Company's business.

Committees

There are three Committees of the Board: Audit and Risk; Nomination; and Remuneration. The Remuneration Committee and the Audit and Risk Committee are wholly non-executive committees and the members are all independent Non-Executive Directors. The Chair of the Board is a member of and chairs the Nomination Committee. The other members of the Nomination Committee include the CEO. The membership and terms of reference of these Board Committees are reviewed annually and are available on the Company's website (www.integrafin.co.uk) or on request from the Company Secretary.

Matters reserved for the Board

The Board is the main decision making and review body for the Company. It determines the overall strategic direction of the Company and is responsible for the overall management of the Company and the business operations for its subsidiaries.

The Board's remit is documented in its terms of reference which includes details of matters reserved for the Board and matters delegated by the Board. The terms of reference including matters reserved for the Board are reviewed and updated annually. Matters which are reserved for the Board include strategy and management, structure and capital, financial reporting and controls, internal controls, contracts, communication, Board membership and appointments, remuneration and corporate governance matters. The Board makes decisions as to delegating to Committees of the Board and the management team. Matters which are delegated to the management team include changes to the Company's management structure, approval of resolutions and corresponding documentation to be put to shareholders at general meetings, and approval of the levels of insurance in place for the Group.

Setting the Business Model and Strategy

The Board retains responsibility for the overall management of the Company and approval of any long-term objectives of the Company. A review of the performance against the Company’s strategy, objectives, business plans and budgets is considered at each board meeting. Maintaining oversight of the Company’s operations, ensuring competent and prudent management, sound planning, an adequate system of control, adequate accounting in addition to reviewing any significant risks faced by the Company and establishing and maintaining risk management systems in co-ordination with the Audit and Risk Committee ensures the Company fulfils its business objectives. The Board also retains responsibility for considering the balance of interests between shareholders, employees, customers and the community.

Board meetings and attendance

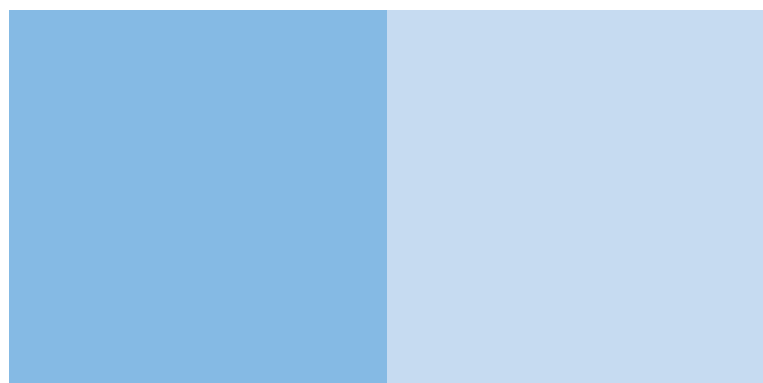
The Board met at least six times, in accordance with its terms of reference. Attendance by each member of the Board as at 30 September 2018 is set out below.

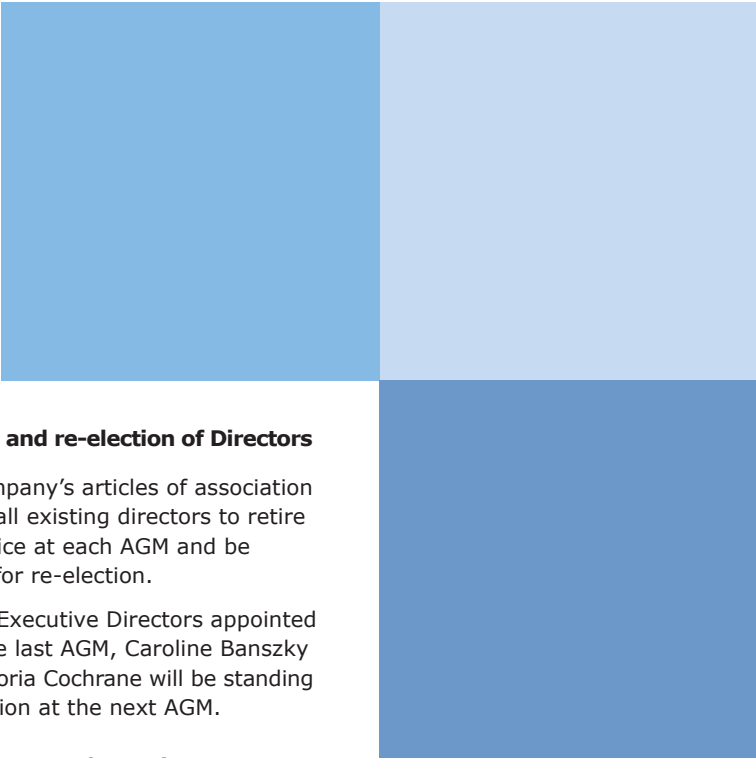
	Meetings eligible to attend	Meetings attended
Chair		
Christopher Munro	13	12
Members		
Michael Howard	13	8
Ian Taylor	13	13
Alexander Scott	13	12
Neil Holden	13	13
Caroline Banzsky	2	1
Victoria Cochrane	0*	0

*There were no meetings in the financial year following Victoria Cochrane’s appointment on 28 September 2018

Michael Howard was unable to attend five meetings due to the timing and frequency of Board meetings in the run up to the IPO.

Christopher Munro, Alexander Scott and Caroline Banzsky were each unable to attend one meeting arranged at short-notice.





Board effectiveness review - 2018

The Board conducts an annual evaluation of its own effectiveness and that of its Committees and individual Board members. All members of the Board with the exception of the Chair undertook an annual performance evaluation of the Chair. The evaluations consist of a questionnaire designed to review the performance against the matters delegated in the terms of reference. The findings of which and any action points arising are discussed and remedied. Each Board member is responsible for identifying training appropriate to their needs, and the Non-Executive Directors maintain individual annual training logs.

As part of the annual performance evaluation of the effectiveness of the Board and its Committees, the experience, independence and knowledge of the Directors and the diversity representation of the Board, how the Board works together and other factors relevant to its effectiveness were considered.

FTSE350 companies are required by the Code to have an externally facilitated evaluation at least every three years. The Company will ensure this is facilitated by 2020 in keeping with Code requirements.

Election and re-election of Directors

The Company's articles of association require all existing directors to retire from office at each AGM and be eligible for re-election.

As Non-Executive Directors appointed since the last AGM, Caroline Banschky and Victoria Cochrane will be standing for election at the next AGM.

Annual General Meeting

The AGM provides shareholders with a further opportunity to communicate with the Board both during the AGM and informally afterwards. Notice of the AGM will be sent in accordance with the Companies Act 2006 and made available on a dedicated shareholder website along with any other relevant documentation.

By order of the Board

Christopher Munro
Chair

12 December 2018

AUDIT AND RISK COMMITTEE REPORT

Statement from the Chair of the Audit and Risk Committee

I am pleased to present the Audit and Risk Committee's report for 2018.

The Audit and Risk Committee has provided oversight and advice to assist IHP in fulfilling its responsibilities in respect of financial reporting, financial and operational controls and risk management across IHP and the companies within the Group. It oversees the effectiveness of the Group's internal risk controls and accounting procedures to ensure appropriate levels of external and internal audit and risk assessment are maintained. It has overseen the integrity of the financial reporting process and reviewed the work of both external and internal auditors.

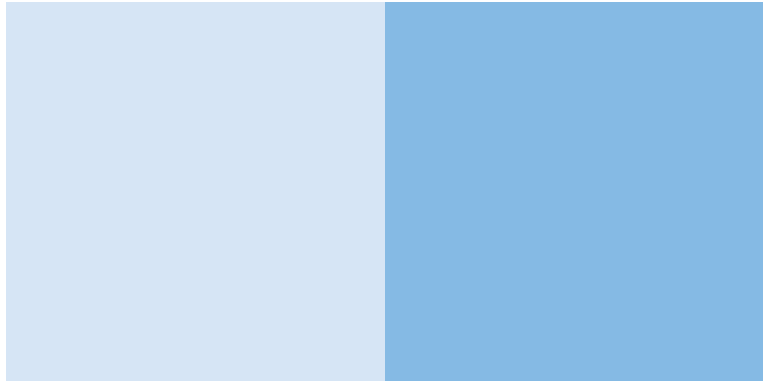
Role of the Audit and Risk Committee

The role and responsibilities of the Audit and Risk Committee are set out in its terms of reference and are summarised below:

- Reviewing the manner in which the Group companies implement and monitor the adequacy of the Group's risk management framework;
- Assisting the Board in fostering a culture within the Group which encourages good stewardship of risk and emphasises the benefits of a risk-based approach to management of the Group;

- Reviewing the integrity and effectiveness of the Group's financial reporting process (including the internal controls structure and procedure for financial reporting) and the integrity and appropriateness of the Company's and Group's consolidated Financial Statements;
- Reviewing the manner in which the Company implements and monitors the adequacy of internal financial and operational controls;
- Monitoring and reviewing the effectiveness of the Group's Internal Audit function;
- Reviewing external audit arrangements and making recommendations to the Board regarding any changes to the external auditor as well as review and approval of their remuneration and terms of engagement; and
- Reviewing and monitoring the independence and objectivity of the external auditor as well as the effectiveness of the audit process, taking into consideration relevant professional and regulatory requirements.

The Committee reports its findings to the Board, identifying any matters in respect of which it considers that action or improvement is needed, and makes recommendations as to the steps to be taken. However, the Board retains ultimate responsibility for reviewing and approving financial reports and other public statements.



Composition of the Audit and Risk Committee

The members of the Audit and Risk Committee at 30 September 2018 were:

	Financial Experience	Date of Appointment
Chair		
Neil Holden	Chartered Accountant	2 February 2018
Members		
Christopher Munro	Chartered Accountant	2 February 2018
Caroline Banzsky	Chartered Accountant	22 August 2018
Victoria Cochrane		28 September 2018

All members of the Committee, including the Chair, are independent Non-Executive Directors.

On an on-going basis, membership of the Committee is reviewed by the Chair of the Committee in collaboration with the Nomination Committee and any recommendations for new appointments are made to the Board.

In adherence with the Code requirement to include at least one Committee member with recent and relevant financial experience, both the Audit and Risk Committee Chair and Caroline Banzsky are qualified Chartered Accountants.

The Group also provides initial and on-going training for Committee

members to support them in carrying out their duties effectively. This is delivered by in-house technical staff, through the attendance at formal conferences, and an online training programme.

Committee meetings and attendance

The Audit and Risk Committee meets at least four times each year but more frequently when required. The Committee has met four times

during this financial year. Attendance by each member of the Committee as at 30 September 2018 is set out below.

	Meetings eligible to attend	Meetings attended
Chair		
Neil Holden	4	4
Members		
Christopher Munro	4	4
Caroline Banzsky	1	1
Victoria Cochrane	0*	0

*There were no further meetings in the financial year following Victoria Cochrane's appointment on 28 September 2018

The CEO, CFO, Group Counsel and the Head of Internal Audit are routinely invited to, and attend, the majority of meetings, although the Committee reserves the right to request any of these individuals to leave the meeting. The Group's external auditor (BDO LLP (BDO)) also attended specific

Committee meetings for external audit planning and reporting purposes.

Between meetings the Committee Chair keeps in regular contact with the CEO, CFO, Group Head of Internal Audit, and the Senior Engagement Partner of BDO.

Overview of the actions taken by the Audit and Risk Committee to discharge its duties

The Audit and Risk Committee has focussed on five main areas during the year:

- Risk Management;
- Financial Reporting;
- Internal (Financial and Operational) Controls;
- Effectiveness of Internal Audit; and
- Effectiveness and independence of the external auditor.

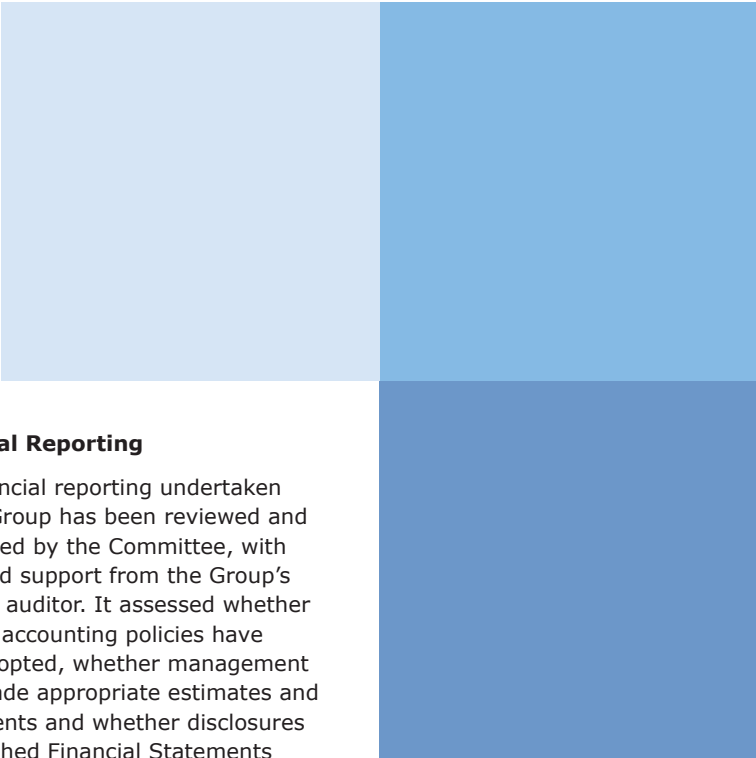
Risk Management

Risk management activities encompass all financial, strategic and operational risks which may threaten the business model, future performance, solvency or liquidity of IHP. Given the nature of the activities undertaken by the Group, the key risks faced are financial risks (market risk, liquidity risk, outflow risk, expense risk and credit risk) and non-financial risks (regulatory risk, operational risk, competition risk, geopolitical risk and reputational risk). The Group ensures risks taken are aligned with its long-term strategic aims and provide an acceptable level of return.

The principal risks identified as being faced by the Company with a description of how the Company manages and mitigates the risks is set out in the Risk and Risk Management section on page 25 to 34.

The Group adopts an overall conservative approach which is reflected in its risk appetite values and preferences in the overall approach to risk management. The Committee has reviewed the manner in which the Group companies have implemented and monitored the adequacy of the Group’s risk management framework. It has assisted the Board in fostering a culture within the Group which encourages good stewardship of risk and emphasises and demonstrates the benefits of a risk-based approach to management of the Group.

The Committee maintained oversight of risk management activities in relation to IHP and monitored their effectiveness. All reports from the Head of Actuarial and Risk on IHP specific matters were reviewed by the Committee. The Group implements a comprehensive “top-down” and “bottom-up” approach to managing risks through regular assessments, monitoring (including horizon scanning) and reporting in conjunction with senior management and risk owners. The Risk Management function reports to the Integrated Financial Arrangements Ltd risk committee (“IFAL Risk Committee”), providing information and analysis on the key risks the Group faces, capital requirements and comparison against risk appetites. The Chair of the IFAL Risk Committee then provides a summary to the members of the Board and the IHP Audit and Risk Committee. The Committee also sought assurance from the Chair of the IFAL Risk Committee that management responses had been provided to any findings and recommendations from the Head of Actuarial and Risk recorded in reports on IHP specific matters and that any exceptions were escalated to the Committee Chair.



The Group's Risk Management Framework is designed along the "three lines of defence" model comprising of risk ownership, oversight and assurance. The three stages of oversight ensure that the regulated subsidiaries operate within the risk appetite which is defined by the IFAL Risk Committee and approved by the boards of each Regulated Subsidiary.

The Committee reviewed and challenged as necessary the management information reporting on the status of the Group's risk profile - by reference to risk appetite, trends and concentrations - against the most significant risks affecting IHP individually and the risk profile of the Group as a whole.

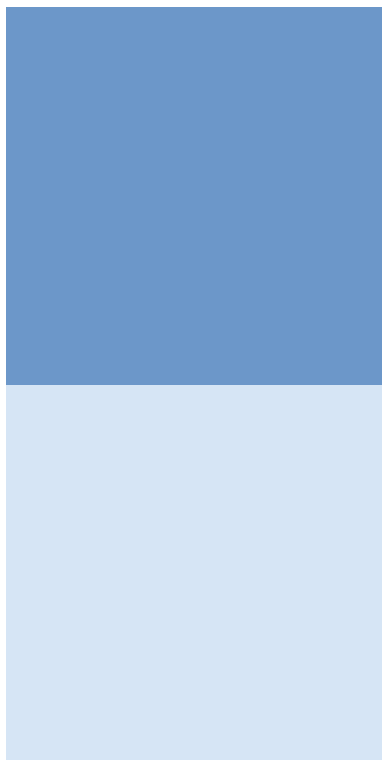
Any escalations from the Group company boards or committees which affect IHP or which, in the view of a Group Company Board or the IFAL Risk Committee, impact the Group as a whole, were considered. The Committee also considered the progress of identified management actions. Any matters of relevance to the Board were escalated.

Financial Reporting

The financial reporting undertaken by the Group has been reviewed and challenged by the Committee, with input and support from the Group's external auditor. It assessed whether suitable accounting policies have been adopted, whether management have made appropriate estimates and judgements and whether disclosures in published Financial Statements were fair, balanced and understandable.

As part of its work during the year, the Committee, on behalf of the Board, has examined the Annual Report and Financial Statements, half-yearly reports, interim management statements and other formal announcements relating to financial performance, reviewing and reporting to the Board on significant financial reporting issues and judgements which they contain, having regard to matters communicated to it by the external auditor. The Committee also examined the consistency of accounting policies and the financial reporting process. This included the review and approval of the Annual Report, and consideration of the Income Statement, Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity, Going Concern statement and the Statement of Cash Flows, with an emphasis on ensuring that these are fair, balanced and understandable.

The Committee did this by ensuring there was a thorough process of challenge, including challenge by the Committee itself. The Committee's own challenge process included questioning the Group Chief Executive Officer on the overall message and tone of his review statement, examining and challenging reports from both management and the external auditor relating to the Annual Report, and reviewing consistency with internal reports presented to the Board by management, the Group Chief Financial Officer, Group Head of Internal Audit and Group Head of Risk during the year. Additionally the Committee reviewed the Company's statements on compliance with the Code and the corporate governance statement. Following this assessment the Committee recommended to the Board that the 2018 Annual Report and Financial Statements are fair, balanced and understandable and provides the information necessary for shareholders to assess the company's position, performance, business model and strategy.



The Committee reviewed the key accounting and financial risk and the steps taken by management to address them. The Committee received a report from the Company's external auditors confirming that they had not identified any non-compliance with Group accounting policies or the applicable accounting framework and that they had not identified any significant accounting policy changes impacting the financial year. Further information on the key financial risks can be found in note 4 to the Financial Statements.

Internal Controls

The Audit and Risk Committee receives reports at each meeting from the Group Internal Audit function reporting on any recently completed audits specifically relating to IHP. The content and accuracy of these reports was assessed and challenged by the Committee to ensure the necessary controls are implemented.

Effectiveness of Internal Audit

The Audit and Risk Committee reviews how the Company implements and monitors the adequacy of internal financial and operational controls. The Committee achieves this by:

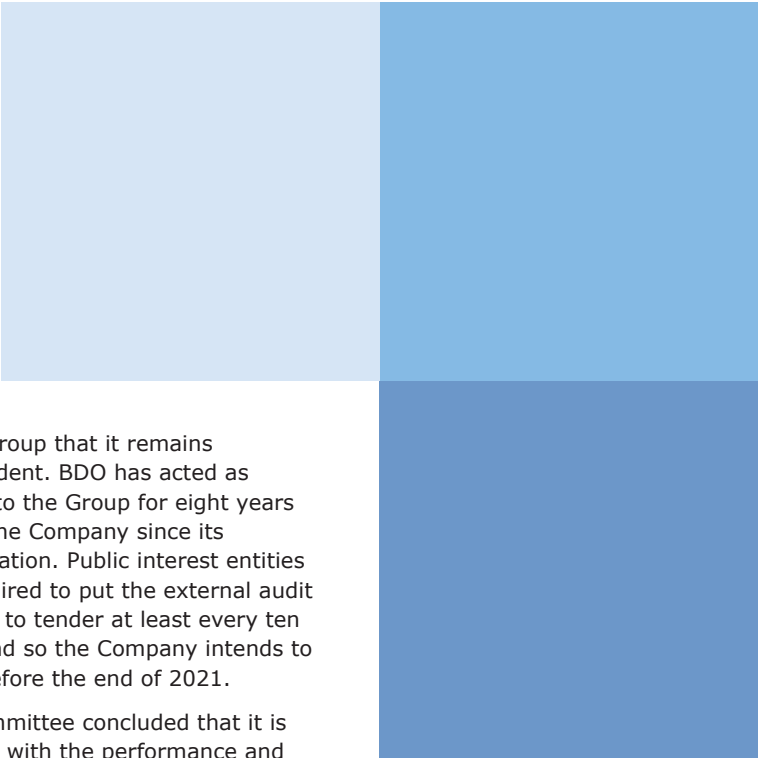
- Requesting that the Internal Audit Plan for IFAL includes specific areas of review on matters relating to IHP
- Receiving and reviewing copies of all formal internal audit reports escalated by the Integrated Financial Arrangements Ltd Audit Committee ("IFAL Audit Committee") in respect of IHP or activities within other companies in the Group which present a significant risk to the Group as a whole

- Receiving a quarterly internal audit report on recommendations to meet identified internal control deficiencies and review progress of agreed actions in response to identified deficiencies;
- Gaining assurance from the chair of the IFAL Audit Committee regarding completion of management actions in response to the findings and recommendations of internal audit reports; and
- Seeking assurance annually on the adequacy and security of the Group's arrangements for employees and contractors to raise concerns, in confidence, about possible wrongdoing in financial reporting or other matters that these arrangements allow proportionate and independent investigation of such matters and appropriate follow up action.

The Audit and Risk Committee met with the Head of Internal Audit privately this year in order to discuss matters directly in the absence of management.

Effectiveness and independence of the external auditor

The Audit and Risk Committee has primary responsibility for the Group's relationship with the external auditor BDO and for monitoring its independence, objectivity and compliance with ethical and regulatory requirements. The Audit and Risk Committee has primary responsibility for making recommendations on appointment, reappointment and removal of external auditors to the Board to be put to shareholders for approval at the AGM.



The Committee has responsibility for reviewing the external auditor's remuneration and reviewing whether fees for audit and/or non-audit services are appropriate. The Committee undertakes an annual review of the policy to govern the supply of non-audit services by the external auditor. At each meeting, the Committee is informed on any non-audit services provided in that period by the external auditor to demonstrate the amounts being incurred do not give rise to a conflict of their independence. The Committee also satisfies itself that there are no relationships (such as family, employment, investment, financial or business) between the external auditor and the Company (other than in the ordinary course of business) which could adversely affect the auditor's independence and objectivity. The Committee also ensures there is appropriate liaison and co-ordination between the internal and external auditor. The non-audit fees paid to BDO during the 2018 financial year totalled £584,926.25. The non-audit fees paid to BDO related to IPO work and were approved prior to the IPO by the Board.

The Committee undertakes an annual assessment of the external auditor's independence and objectivity taking into account relevant professional and regulatory requirements and the relationship with each auditor as a whole, including the provision of any non-audit services. The Committee undertook an effectiveness review of the external auditor in August, where it discussed performance and the FRC's Audit Quality Inspection on BDO.

There are no contractual or similar obligations restricting the Group's choice of external auditor and IHP's external auditor, BDO, has confirmed

to the Group that it remains independent. BDO has acted as auditor to the Group for eight years and to the Company since its incorporation. Public interest entities are required to put the external audit contract to tender at least every ten years and so the Company intends to do so before the end of 2021.

The Committee concluded that it is satisfied with the performance and effectiveness of BDO and has concluded that BDO continues to display the necessary attributes of independence and objectivity.

Whistleblowing

The Chair of the Risk and Audit Committee is a key contact in the Whistleblowing Policy and fulfils the role of "whistleblower's champion" under the Senior Insurance Managers' Regime.

The Committee reviewed the Whistleblowing Policy and the framework for reporting and confirmed that they are appropriate to the Group structure and organisation.

Committee self-evaluation

The Audit and Risk Committee has also conducted a self-assessment of its own effectiveness as well as an evaluation of the Chair in the period since formation and was satisfied with the results achieved and has agreed actions where improvements were suggested.

Signed on behalf of the
Audit and Risk Committee

Neil Holden
Chair of the Audit and Risk Committee

12 December 2018

NOMINATION COMMITTEE REPORT

Statement from the Chair of the Nomination Committee

I am pleased to present the Nomination Committee's report for 2018.

The primary purpose of the Committee is to develop and maintain a formal, rigorous and transparent procedure, and to lead the process for Board and Committee appointments and re-appointments, including making recommendations to the Board. To achieve optimal composition of the Board, the Committee has regard to its size and composition, the extent to which skills, experience or attributes are represented and the need to maintain high standards of corporate governance.

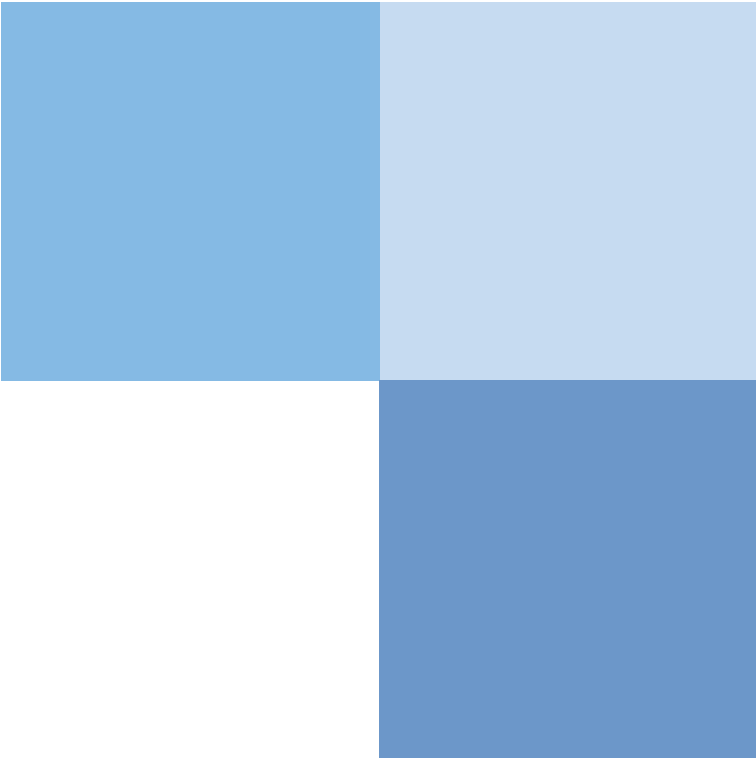
The Committee regularly reviews the composition of the Board to ensure that the necessary skills, knowledge and experience are available and to ensure that best practice corporate standards are met on an ongoing basis. In doing so, the Committee considers the successful achievement of the Company's long-term objectives whilst taking into account relevant regulatory requirements, market pressures and value for money.

In all its activities the Committee gives due consideration to laws and regulations, the provisions of the Code, the requirements of the UK Listing Authority's Listing, Prospectus and Disclosure Guidance and Transparency Rules and any other applicable rules, as appropriate.

Role of the Nomination Committee

The role and responsibilities of the Nomination Committee are set out in its terms of reference and are summarised below:

- Reviewing the structure, size and composition (including the skills, knowledge, experience and diversity) of the Board to ensure that best practice corporate standards are met on an ongoing basis and make recommendations to the Board with regard to any changes that the Committee believes to be necessary;
- Considering succession planning for IHP directors, taking into account the challenges and opportunities facing the Group, and the skills and expertise needed on the Board in the future;
- Reviewing the leadership needs of the Company, both executive and non-executive, with a view to ensuring the continued ability of the Group to compete effectively in the marketplace;
- Keeping up to date and fully informed on strategic issues and commercial changes affecting the Company;
- Identifying and nominating for the approval of the Board, candidates to fill Board vacancies as and when they arise;
- Prior to any appointment, evaluating the balance of skills, knowledge, experience and diversity on the Board and in light of this evaluation, preparing a description of the role and capabilities required for a particular appointment; and
- When considering the appointment of both Executive and Non-Executive Directors to the Board, reviewing such directors' positions and interests in other companies or firms in order to identify any conflicts or potential conflicts of interests and make recommendations to the Board as to whether these positions and interests should be authorised.



The Committee discusses and agrees annually the relevant measures for achieving diversity on the Board and recommends them to the Board for implementation. The Committee Chair reports to the Board on its proceedings after each meeting on all matters within its duties and responsibilities. The Committee also recommends to the Board as and when it deems appropriate on any area within its remit where action or improvement is needed.

**Composition of the
Nomination Committee**

The members of the Nomination Committee at 30 September 2018 were:

	Date of Appointment
Chair	
Christopher Munro	2 February 2018
Members	
Ian Taylor	19 January 2018
Victoria Cochrane	28 September 2018

In adherence with the Code, the majority of members of the Nomination Committee are independent Non-Executive Directors. The Chair of the Board chairs the Committee, however he will not chair when the Committee is dealing with nominating a successor.

The Group also provides initial and on-going training for Committee members to support them in carrying out their duties effectively. This is delivered by in-house technical staff, through the attendance at formal conferences as required, and an online training programme.

Committee meetings and attendance

The Nomination Committee meets annually and more frequently when required. The Committee has met five times during this financial year

Attendance by each member of the Committee as at 30 September 2018 is set out below.

	Meetings eligible to attend	Meetings attended
Chair		
Christopher Munro	5	5
Members		
Victoria Cochrane	0*	0
Ian Taylor	5	5

*There were no meetings in the financial year following Victoria Cochrane's appointment on 28 September 2018

Only members of the Committee have the right to attend Committee meetings. However, other individuals such as the Head of Human Resources and external advisers may be invited to attend for all or part of any meeting.

Appointment process

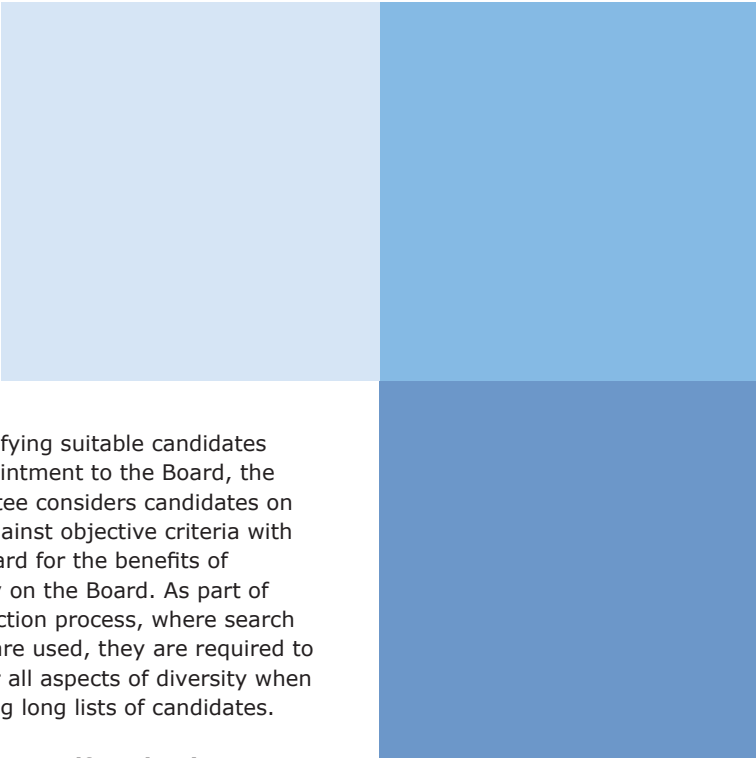
The appointment process commences when the need for additional skills, knowledge, experience or diversity are identified. This can be prompted through a Director resigning, such as in the case of Patrick Snowball, or through the Committee's regular review of the structure, size and composition of the Committee which was the case with Caroline and Victoria's appointments. Once the need for a candidate is identified, the Committee will ordinarily arrange for advertising and/or make use of an external search agent, failing which an explanation will be provided. In identifying suitable candidates for appointment to the Board, the Committee will consider candidates on merit against objective criteria with due regard for the benefits of diversity. Once interviews have taken

place, the Nomination Committee recommends the preferred candidate to the Board for approval.

Appointments to the Committee are made by the Board and shall be for a period of up to three years, which may be extended for two further periods of up to three years, provided the Director still meets the criteria for membership of the Committee.

Succession

Having evaluated the balance of skills, knowledge, experience and diversity on the Board, and in keeping with the role and responsibility conferred on the Nomination Committee, two additional Non-Executive Directors were appointed during this financial year. To facilitate the search, the Company used Korn Ferry. Korn Ferry does not have any other connection with the Company or any Director. In August and September, Caroline and Victoria respectively were appointed. In compliance with the Code recommendation that the board of directors of a company with a premium listing on the



Official List should appoint one of the independent Non-Executive Directors to be the Senior Independent Director, the Company appointed Victoria Cochrane to this role.

Following the resignation of Patrick Snowball, a focus of the Nomination Committee in 2019 will be to source a replacement chair on a permanent basis. The Nomination Committee will be responsible for preparing a role specification which will include the time commitment expected. Where possible, the appointment will be made with a view to achieving a balance of relevant skills with diversity. Any recommendations will be made to the Board along with a disclosure of any of the proposed Chair's other significant commitments.

Diversity

The Company recognises the benefits of companies having a diverse Board and sees diversity at board level as important in maintaining good corporate and board effectiveness.

The objective of the Group's diversity policy is to ensure that new appointments to any board within the Group are made on merit, taking into account the different skills, industry experience, independence, knowledge and background required to achieve a balanced and effective board.

When determining the composition of the Board, consideration is given to the diversity of Board members and when possible appointments are made with a view to achieving a balance of skills with diversity.

The Committee considers the benefits of all aspects of diversity in order to enable it to discharge its duties and responsibilities. The Company recognises that providing the opportunity for employees to contribute their talent, experiences and skills aids us in achieving our strategic objectives, boosting our financial performance and delivering sustainable commercial opportunities.

In identifying suitable candidates for appointment to the Board, the Committee considers candidates on merit against objective criteria with due regard for the benefits of diversity on the Board. As part of the selection process, where search agents are used, they are required to consider all aspects of diversity when preparing long lists of candidates.

Committee self-evaluation

The Nomination Committee conducted a self-assessment of its own effectiveness as well as an evaluation of the Committee's Chair in the period since formation and was satisfied with the results achieved and has agreed actions where improvements were suggested.

Signed on behalf of the
Nomination Committee

Christopher Munro
Chair of the Nomination
Committee

12 December 2018

DIRECTORS' REMUNERATION REPORT

Statement by the Chair of the Remuneration Committee

Remuneration overview

On behalf of the Board, I am pleased to present our first Directors' Remuneration Report for the year ended 30 September 2018.

It has been a significant year for IntegraFin, which listed on the LSE in March 2018. This was a great milestone for the Group, which started as a project in 1998, before IntegraFin was formally established in 1999, co-founded by our current Executive Director Michael Howard.

Since then IntegraFin has expanded and as of 30 September 2018 had over 166,000 client investment portfolios, £33.1 billion of funds under direction and over 500 staff across the Group companies.

Over 25% of our staff have been with the Group for over 10 years and our Executive team have significant tenures. This illustrates employee commitment to the Group and the deep business connections we have cultivated.

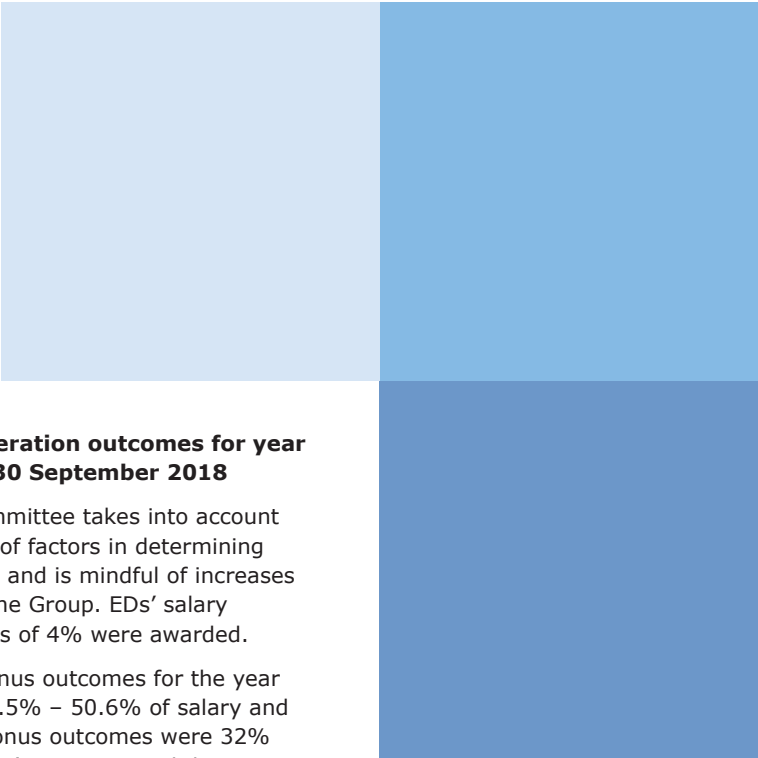
Our success has been due partly to the idea that we have implemented and the services that we provide, but also due to the culture that we encourage and project. Our culture is one that encourages communication, imagination and getting things right.

To this end, one of our key principles is to create, maintain and improve our value to our three groups of stakeholders – customers, shareholders and employees. Whenever possible we are committed to sharing profits between all three groups of stakeholders, and we believe all groups should benefit from any of the Group's activities.

Our commitment to our stakeholders is reflected in our approach to remuneration, and a key focus of the Committee is to ensure that reward is aligned with our culture and our strategy.

Against this background we take a very distinctive approach to remuneration. The key features of our reward framework are as follows:

- **Relatively modest incentives**
 - Our maximum total incentive opportunity is only 100% of salary per annum. Ordinarily, we do not expect annual awards to exceed 65% of salary.
- **Distinctive approach to performance measurement**
 - At IntegraFin we do not have defined performance measures or targets which apply to variable pay awards. Instead, the Committee exercises independent judgement and discretion when authorising remuneration outcomes, taking into account Company and individual performance. Our performance measurement framework considers our "Quantitative anchors" – profitability, customer, risk and regulation and strategy delivery.
- **Alignment with wider workforce**
 - Our approach to remuneration for Executive Directors is consistent with that for all employees. Our incentive structure is aligned across the workforce and all employees are made awards under the same performance framework. The pension policy for EDs is equivalent to that of the workforce.
- **Share ownership** – Our Executive Directors are significant shareholders in the Company.



We believe in simple and transparent reward linked to Company success and delivered in a way that does not drive unforeseen behaviours or encourage excessive risk taking:

- We did not make any out of cycle one-off share or cash bonus awards to solely reward the successful IPO.
- At IPO we introduced a new share plan (the Company's Performance Share Plan 2018)(PSP) with a maximum award opportunity of 33% of salary. The Committee has since concluded that this share plan should be used for the purpose of granting deferred awards comprising a portion of the annual bonus, in line with our simple approach to reward.
- We do not operate a long-term incentive plan, as we believe long-term targets have the potential to drive inadvertent behaviours.
- We operate an HM Revenue & Customs tax-advantaged Share Incentive Plan (SIP), which aligns the interests of all UK employees with shareholders.

We believe our distinctive approach to remuneration supports both the objectives of the Group and its three stakeholders and is aligned to the key principles shared between us.

Further details of our reward framework are set out over the following pages.

Remuneration outcomes for year ended 30 September 2018

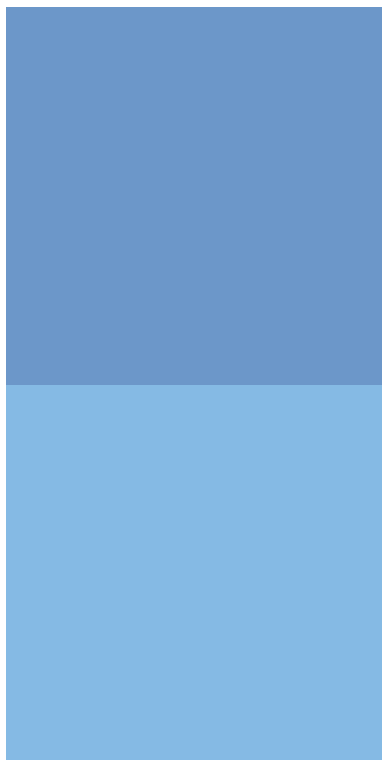
The Committee takes into account a range of factors in determining salaries, and is mindful of increases across the Group. EDs' salary increases of 4% were awarded.

Cash bonus outcomes for the year were 38.5% – 50.6% of salary and share bonus outcomes were 32% of salary (communicated, but not awarded until after the publication of results). The bonus for the year reflects the listing of IntegraFin on the LSE, and that it was a landmark year for the Company.

Signed on behalf of the
IHP Remuneration Committee

Neil Holden
Chair of the
IHP Remuneration Committee

12 December 2018



Role of the Remuneration Committee

The purpose of the Committee is to review, set and agree aspects of the overall remuneration policy and strategy for the Company and other companies within the Group that employ staff and the total compensation package for certain officers and employees within the Group. It does so with a view to aligning remuneration with the successful achievement of the Group’s long-term objectives while taking into account the Code, relevant regulatory requirements, market rates and value for money.

The Company monitors the list of employees who are considered to be Code Staff by reference to the Financial Conduct Authority (FCA) Remuneration Code to ensure that it

remains appropriate. To the extent that the Committee does not approve the remuneration of Code Staff individually, the Committee considers whether the total reward for Code Staff remains compliant with the provisions of the Remuneration Code. The Committee is also responsible for reviewing a remuneration policy statement (RPS) prepared by IFAL setting out how the UK regulated companies within the Group comply with UK regulatory requirements on remuneration.

In all its activities, the Committee gives due consideration to laws and regulations, the provisions of the Code, the requirements of the UK Listing Authority’s Listing, Prospectus and Disclosure Guidance and Transparency Rules and other applicable rules, as appropriate.

Composition of the Remuneration Committee

The members of the Remuneration Committee at 30 September 2018 were:

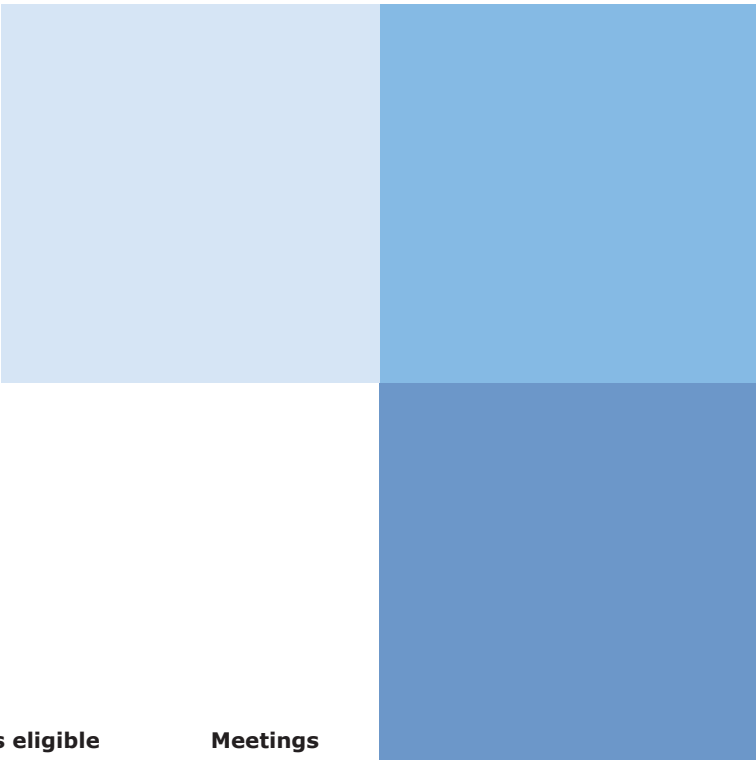
	Date of Appointment
Chair	
Neil Holden	19 January 2018
Members	
Christopher Munro	19 January 2018

Prior to the resignation of Patrick Snowball in August 2018, the Committee had three Non-Executive Director members. The Board is considering the appointment of a further Non-Executive member to the Committee, to comply with the Code provisions.

Following the resignation of Patrick Snowball in August 2018 and the appointment of Christopher Munro as interim Chair of the Board, Christopher Munro stepped down as, and Neil Holden was appointed to,

the Chair of the Remuneration Committee.

The Committee ensures that members take individual responsibility for identifying training appropriate to their needs and for keeping appropriate records of such training. Each Committee member provides copies of their training record to the Company Secretary annually and undertakes all regulatory training requested by the Group.



Committee meetings and attendance

The Remuneration Committee meets at least twice annually and more frequently when required. The Committee has met four times during this financial year. Attendance by each member of the Committee as at 30 September 2018 is set out below.

	Meetings eligible to attend	Meetings attended
Chair		
Neil Holden	4	4
Members		
Christopher Munro	4	4

Only members of the Committee have the right to attend Committee meetings. However, other individuals such as the CEO, directors of subsidiaries, the Group Counsel, the Head of Human Resources and external advisers may be invited to attend for all or part of any meeting.

Overview of actions taken by the Remuneration Committee to discharge its duties

The Committee has undertaken the following since formation this financial year:

- Reviewing the Committee Terms of Reference to ensure their appropriateness for a listed entity.
- Reviewing the appropriateness of the proposed annual staff pay award by reference to the RPS and the Remuneration Policy;
- Approving the proposed remuneration for the Executive Directors and the annual fee for the Chair of the Board;
- Considering the appropriateness of remuneration for Code staff and the staff pay award; and
- Reviewing the RPS for both the previous as well as the forthcoming performance year

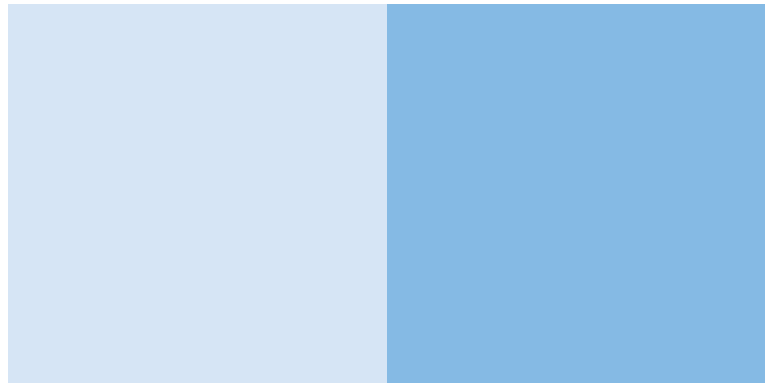
The Committee has performed its duties with a view to aligning remuneration with the successful achievement of the Group’s long-term objectives while taking into account the Code, relevant regulatory requirements, market rates and value for money.

Committee self-evaluation

The Remuneration Committee conducted a self-assessment of its own effectiveness as well as an evaluation of the Chair in the period since formation, was satisfied with the results achieved and has agreed actions where improvements were suggested.

Remuneration 'at a glance'

Element	Operation	Implementation in 2018/19
Base salary	Increases will take into account a number of factors including the scale of the role and the individual's experience and wider workforce increases	Salary with effect from 1 June 2018: Ian Taylor: £395,000 Alexander Scott: £260,000
Benefits	Include, for example, death in service and private medical insurance.	Benefits for CEO and CFO comprise private healthcare. Overnight accommodation in London is provided for the CEO.
Pension	The maximum company contribution is 12.3% of salary. In certain circumstances, and in line with our approach for all employees, this may increase by up to a further 7.5% of salary. The pension policy is equivalent to that of the wider workforce.	CEO and CFO receive a £10,000 pension contribution.
Annual bonus and deferred bonus award of shares	Total maximum opportunity is 100% of salary. The Committee retains flexibility to adjust the balance between cash and deferred bonus awards. The deferred bonus awards will usually vest on the third anniversary of the grant date. Deferred bonus awards granted under the Company's PSP are subject to malus and clawback provisions as described below.	Ordinarily, we do not expect awards to be in excess of 65% of salary. The Committee uses judgement and discretion when determining outcomes under the annual bonus and deferred bonus awards. Outcomes are made by reference to the four quantitative anchors – profitability; customer; risk and regulation and strategy delivery.
All employee share incentive plan	The plan is operated in line with HMRC guidance.	EDs are eligible to participate in the all-employee SIP on the same terms as all employees.



2018 remuneration outcomes for our Executive Directors

			Total remuneration
Ian Taylor, CEO			
Fixed – £442k	Cash bonus – £200k	Deferred bonus – £127k	£769k
Alexander Scott, CFO			
Fixed – £263k	Cash bonus – £100k	Deferred bonus – £82k	£445k

Directors' Remuneration Policy

The Directors' Remuneration Policy set out below is proposed for shareholder approval at the Annual General Meeting to be held in early

2019. Subject to shareholder approval, the 2019 Remuneration Policy will take effect from the date of the 2019 AGM.

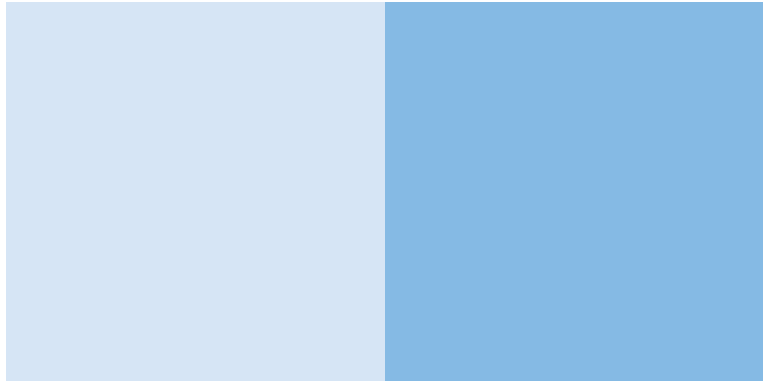
Policy Table

Element	Link to Strategy	Operation	Opportunity	Performance Measures
Salary	The purpose of the base salary is to attract and retain Executive Directors with the necessary skills, experience and expertise.	Base salary is reviewed annually.	There is no overall maximum monetary opportunity or cap on annual increase. Increases will take into account a number of factors including, but not limited to, the scale of the role and the individual's experience, and increases awarded to other staff.	None.

GOVERNANCE continued

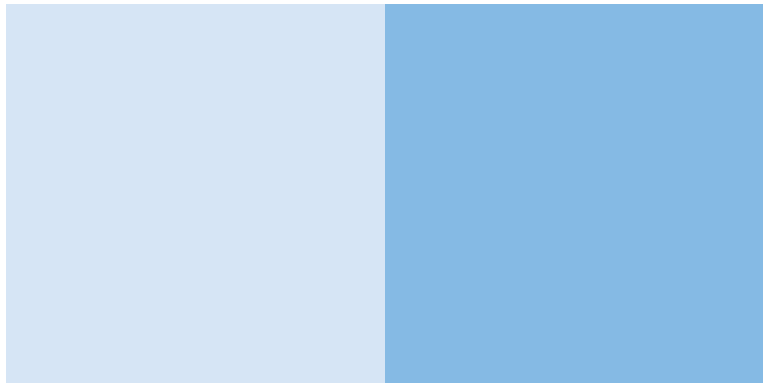
Element	Link to Strategy	Operation	Opportunity	Performance Measures
Benefits	The purpose of the Company's staff benefits arrangements is to attract and retain Executive Directors and employees with the necessary skills, experience and expertise and to support their wellbeing.	<p>The Company offers a Death in Service scheme with benefits set at four times base salary. The Company also offers all employees and their families the opportunity to participate in a private medical insurance scheme. The CEO and CFO have both participated in the medical insurance and life assurance schemes.</p> <p>Other benefits may include buying and selling of holiday, season ticket loans, child care vouchers and discounts on local retailers and eye tests. The benefits provided may be subject to amendment from time to time by the Committee within this policy. EDs may participate in any HMRC (or equivalent) all employee plans adopted from time to time.</p> <p>The Company provides overnight accommodation to the CEO during the working week and pays the tax thereon.</p> <p>In appropriate circumstances benefits may include relocation and tax equalisation.</p>	There is no maximum monetary value.	None.





Element	Link to Strategy	Operation	Opportunity	Performance Measures
Pension	The purpose of the employer contribution to pension arrangements is to attract and retain EDs for the long term and to contribute to retirement income.	Contributions are by way of a defined contribution to the Group's contractual enrolment pension arrangement and by way of employer matching contributions to a salary sacrifice personal pension arrangement.	<p>The maximum company contribution is 12.3% of salary, this is in line with that of the wider workforce. The maximum contribution is 17.14% of salary.</p> <p>Although, due to the UK tax rules, it is unlikely that EDs would choose to do so, in line with our approach for all employees, EDs may also sacrifice an element of their annual bonus into their pension, subject to a prescribed limit. The companywide policy is that in these circumstances, and up to a prescribed limit, a match is made in part to reflect the benefit of the employer National Insurance Contribution saving. The maximum additional pension under this arrangement would be 7.5% of salary.</p>	None.

Element	Link to Strategy	Operation	Opportunity	Performance Measures
Annual cash bonus and deferred bonus awards	<p>The purpose of the cash bonus is to reward staff by reference to the financial success of the Group with an adjustment for individual performance.</p> <p>The purpose of deferred bonus awards is to support long-term retention of senior staff and alignment with share price performance.</p>	<p>Bonus awards are considered annually after the end of the financial year. All bonus awards to EDs are made at the discretion of the Committee. The Committee retains flexibility to determine each year the proportion in cash and the proportion as deferred bonus awards, and any performance condition if authorised by the Board. Where awarded, vesting of the deferred bonus awards will usually be on the third anniversary of the grant date. Dividends do not accrue on the shares that are the subject of deferred bonus awards, although the Committee has the discretion to award dividend equivalents as further described below.</p> <p>In certain circumstances the Committee has the right to reduce or withhold the deferred bonus award and has limited rights to recover deferred bonus awards already made, as further described below.</p>	<p>The overall maximum limit in respect of the total annual bonus is 100% of salary. However, this level of award would only be made in exceptional circumstances.</p> <p>Deferred bonus awards would normally be made under the PSP rules, where awards are capped at 33% of base salary.</p>	<p>Performance is assessed within a framework which includes consideration of:</p> <ul style="list-style-type: none"> ▪ Profitability ▪ Customer ▪ Risk and Regulation ▪ Strategy delivery <p>Individual performance is also considered.</p> <p>There are no prescribed targets. Instead, the Committee considers qualitative and quantitative actual performance within the above performance framework.</p>
Long-Term Incentive Plan (LTIP)	N/A	The Company does not intend to make any awards over its shares that are subject to achievement of performance targets relating to more than one year.	N/A	N/A



Element	Link to Strategy	Operation	Opportunity	Performance Measures
All employee SIP	The purpose of the SIP is to align the interests of all employees – including Executive Directors - and shareholders.	Executive Directors are eligible to participate in the all-employee SIP in place on the same terms as all employees. The SIP is operated in line with HMRC guidance.	<p>The SIP is subject to the limits set by HMRC from time to time.</p> <p>The Board may make an award to participants of Free Shares up to the value 3% of salary or £3,600 (whichever is lower) and may permit participants to subscribe for Partnership Shares up to the value of 1.5% of salary or £1,800 (whichever is lower). For every Partnership Share purchased, the Company has agreed to award two Matching Shares. The £3,600 and £1,800 limits are set by applicable legislation and will be revised automatically in the event of any changes to the legislation.</p>	None.

Michael Howard receives nil remuneration for his Executive appointment to the Company, but his employer ObjectMastery Services Pty Ltd receives a fee of AUD50,000 for his executive appointment to Integrated Application Development Pty Ltd (IAD Pty), a company within the Group.

Share plan operation and discretion

The Committee has discretion in several areas of policy as set out in this Report. The Committee may also exercise operational and administrative discretions under the relevant plan rules.

The deferred bonus awards will be governed by the rules of the relevant share plan, normally the Company’s PSP. Awards under the PSP may:

- Incorporate the right to receive an amount (in cash or additional shares) equal to the value of dividends which would have been paid on the shares under an award that vests up to the earliest date on which the award can be exercised, calculated on a reinvested basis.
- Be settled in cash at the Committee’s discretion.
- Be adjusted at the Committee’s discretion in certain circumstances (e.g. capitalisation or rights issues, corporate restructuring events, variation of capital and special dividends).

The Committee may make minor amendments to the Policy set out above (for regulatory, exchange control, tax, administrative purposes,

or to take into account a change in legislation) without obtaining shareholder approval for that amendment.

Awards granted under the PSP will not be subject to performance conditions unless the Board determines otherwise, in which case the Committee will determine the performance conditions that apply to any awards to Executive Directors. If awards are subject to performance conditions, the Committee may waive or amend them if an event occurs which causes the Committee to determine an amended or substituted performance condition would be more appropriate and not materially more difficult to satisfy.

Approved payments

The Committee reserves the right to make any remuneration payments and/or payments for loss of office (including exercising any discretions available to it in connection with such payments) notwithstanding that they are not in line with the Policy set out above where the terms of the payment were agreed (i) before the 2019 AGM (the date the Company's first shareholder-approved Directors' Remuneration Policy comes into effect) or (ii) at a time when the relevant individual was not a Director of the Company and, in the opinion of the Committee, the payment was not in consideration for the individual becoming a Director of the Company. For these purposes "payments" includes the Committee satisfying awards of variable remuneration and, in relation to an award over shares, the terms of the payment are "agreed" at the time the award is granted.

Performance measures and targets

Annual bonus and deferred bonus awards

Under our performance measurement framework, the Committee considers detailed management information which is linked to the Group's 'quantitative anchors'.

The quantitative anchors are designed to support our key principle to create, maintain and improve value to our three groups of stakeholders – customers, shareholders and employees. They have been developed to reflect our commitment to our stakeholders, support the Company's culture and ensure alignment with our strategy.

They may include factors such as inter alia, financial performance, risk, compliance, conduct, internal controls, client and client adviser metrics and delivery of strategy.

Chair and Non-Executive Directors

Approach to Fees	Operation	Opportunity	Other Items
To attract Non-Executive Directors with relevant experience to ensure the appropriate balance on the Board and the effective management of the Company	<p>Non-executive Director fees are reviewed annually. The review is by reference to the time commitment and responsibility of the role and will not necessarily result in an increase.</p> <p>None of the Non-Executive Directors, including the Chair, is eligible for performance related remuneration or share awards.</p>	<p>There is no maximum fee.</p> <p>The fees are subject to maximum aggregate limits, as set out in the Articles of Association.</p>	<p>The Company reimburses reasonable expenses incurred by the Chair and Non-Executive Directors in the performance of their duties. This includes (but is not limited to) travel expenses and tax thereon and independent professional advice.</p>

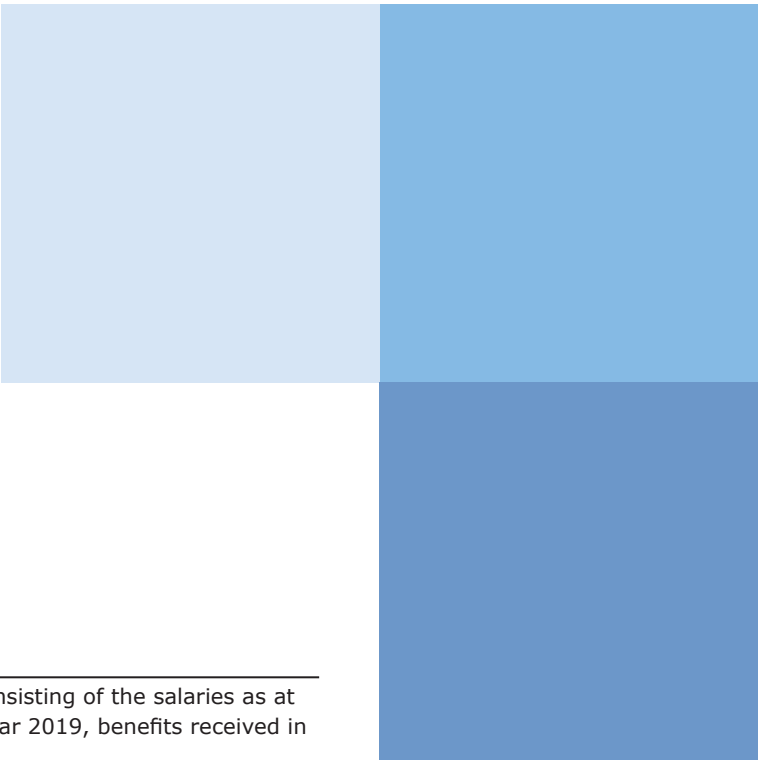
Malus and clawback

The PSP under which deferred bonus awards are intended to be made, contains malus and limited clawback provisions under which the Company can reduce an unvested award or clawback from a vested or unvested cash bonus, SIP or deferred bonus award during any period when the employee has an unvested deferred bonus award. This ability is limited to the following circumstances:

- (i) the employee's gross misconduct,
- (ii) a material misstatement and/or significant downward revision in financial results,
- (iii) an error in relation to the extent to which an award has vested and/or been granted,
- (iv) any other circumstance which the Committee considers has (or would have if made public) a sufficiently significant impact on the reputation of the Company to justify

clawback applying, or (v) if the Company is required to operate clawback by any relevant regulator.

Clawback only applies when there are unvested awards.



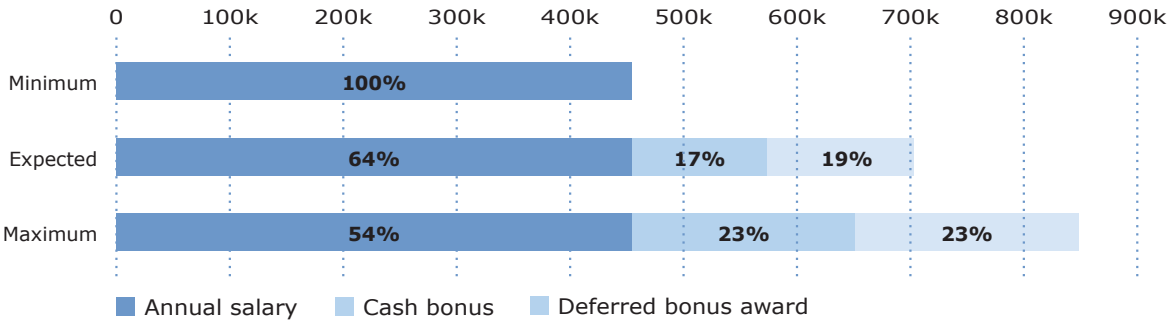
Scenario charts

The charts below illustrate the amount the EDs could receive in the first year in which the Policy is in operation. The charts are based on the following assumptions:

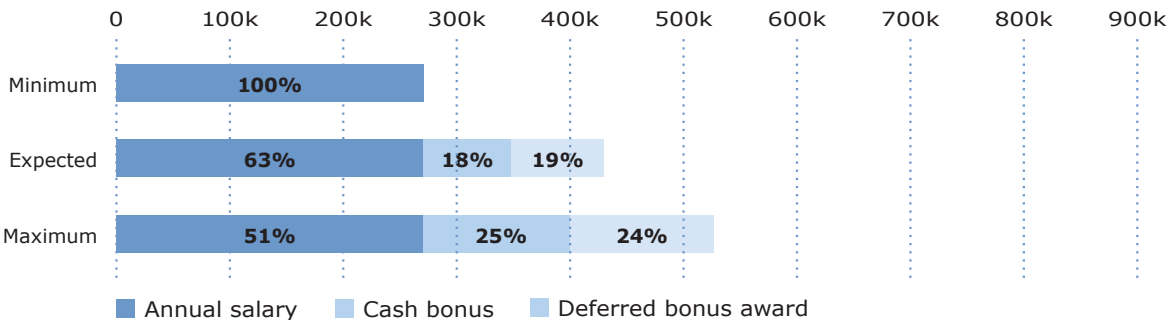
Pay Scenario	Basis of Calculation
Minimum	Fixed remuneration only, consisting of the salaries as at the beginning of financial year 2019, benefits received in 2018 and £10,000 pension.
Expected	Fixed remuneration as at the beginning of financial year 2019, plus the expected value of cash bonus (30%) and the deferred bonus (33%).
Maximum	Fixed remuneration as at the beginning of financial year 2019, plus the maximum combined cash bonus and deferred bonus PSP at 100%.

All scenarios exclude share price growth and dividends.

IAN TAYLOR - REMUNERATION OPPORTUNITY FOR 2019 (£'000)



ALEXANDER SCOTT - REMUNERATION OPPORTUNITY FOR 2019 (£'000)



Effect of share price increase

(1) Were the Company's share price to increase by 50%, Ian Taylor's total actual remuneration would increase to £947k under a 'maximum' scenario – driven by the increased value of deferred bonus awards (granted under the PSP and SIP).

(2) Were the Company's share price to increase by 50%, Alexander Scott's total actual remuneration would increase to £595k under a 'maximum' scenario – driven by the increased value of deferred bonus awards (granted under the PSP and SIP).

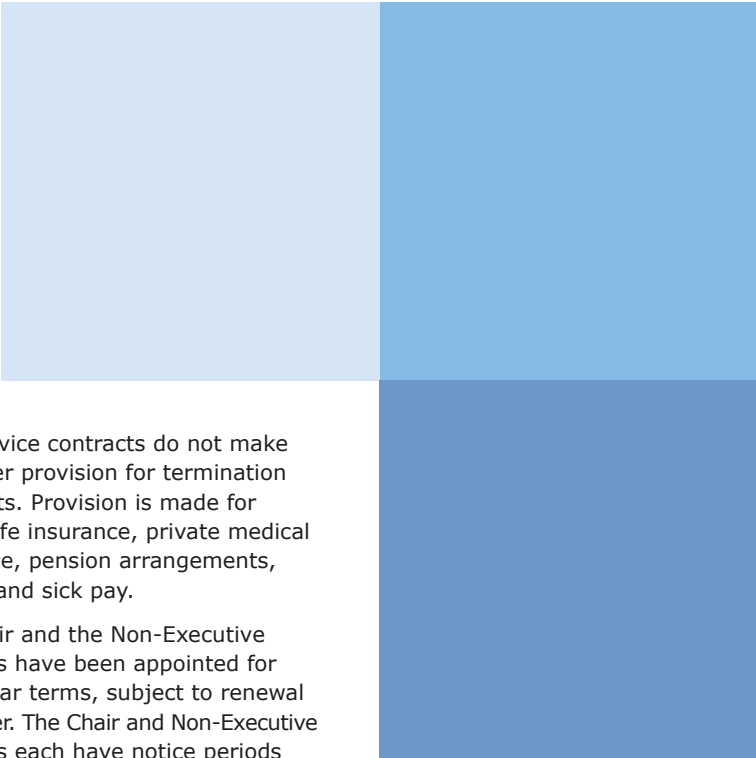
Recruitment remuneration

When determining the remuneration package for a newly appointed Executive Director, the Committee would seek to apply the following principles:

- The package should be market competitive to facilitate the recruitment of individuals of sufficient calibre to lead the business. At the same time, the Committee would intend to pay no more than it believes is necessary to secure the required talent.
- When determining the design and composition of the package, the Committee will consider the size, content and scope of the role, the candidate's skills, experience and expertise and the market rate for the role.
- New EDs will normally receive a base salary, benefits and pension contributions in line with the policy described on pages 61 to 65 and would also be eligible to join the annual bonus and deferred bonus awards up to the limits set out in the Policy.

- Where an individual forfeits outstanding variable pay opportunities or contractual rights at a previous employer as a result of appointment, the Committee may offer compensatory payments or awards, in such form as the Committee considers appropriate, taking into account all relevant factors including the form of awards, expected value and vesting timeframe of forfeited opportunities.
- When determining any such "buyout", the guiding principle would be that awards would generally be on a "like-for-like" basis unless this is considered by the Committee not to be practical or appropriate.
- The maximum level of variable remuneration which may be awarded (excluding any "buyout" awards referred to above) in respect of recruitment is in line with the current maximum limit under the Policy table above.
- Where an Executive Director is required to relocate from their home location to take up their role, the Committee may provide assistance and include benefits such as relocation (either via one-off or on-going payments or benefits) or tax equalisation.
- In the event that an internal candidate is promoted to the Board, legacy terms and conditions would normally be honoured, including pension entitlements and any outstanding incentive awards.

To facilitate any buyout awards outlined above, in the event of recruitment the Committee may grant awards to a new Executive Director relying on the exemption in the Listing Rules which allows for the grant of awards, to facilitate,



in unusual circumstances, the recruitment of an Executive Director, without seeking prior shareholder approval or under any other appropriate Group incentive plan.

The remuneration package for a newly appointed Non-Executive Director would normally be in line with the structure set out in the policy table for Non-Executive Directors on page 66.

The Committee is aware that the Policy and its limits may put it at a competitive disadvantage should the Company need to hire a new executive director externally. If a higher maximum award level is required on the basis of recruitment, the Company will put forward a new policy for shareholder approval at that time.

Service contracts and appointment letters

All EDs have written service contracts in place with an employing company in the Group, which were entered at the time of the Company's IPO.

All Non-Executive Directors have written appointment letters with the Company. Shareholders may inspect the terms of the EDs' contracts or Non-Executive Directors terms of appointment at the Company's registered offices.

EDs service contracts are terminable on six months' notice on either side. In the event that notice is given to terminate an ED's contract, the Company may make a payment in lieu of notice or place the individual on garden leave. Entitlement to any variable remuneration arrangements will be determined in accordance with the relevant plan rules and this Policy.

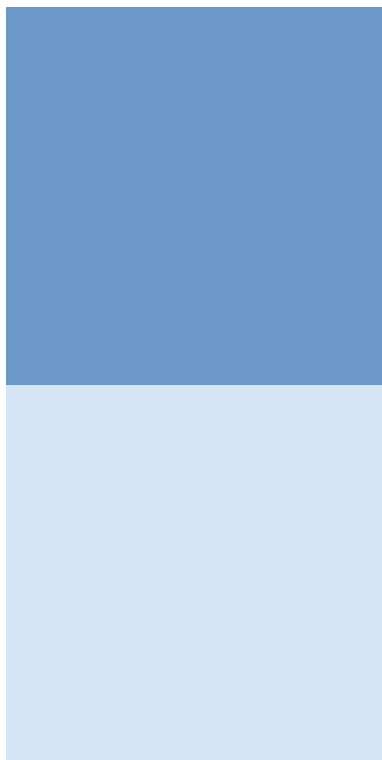
EDs' service contracts do not make any other provision for termination payments. Provision is made for salary, life insurance, private medical insurance, pension arrangements, holiday and sick pay.

The Chair and the Non-Executive Directors have been appointed for three year terms, subject to renewal thereafter. The Chair and Non-Executive Directors each have notice periods of three months and may receive fees during their notice period. The Chair and Non-Executive Directors may receive independent professional advice.

The Chair and the Non-Executive Directors receive no benefits from their office other than their fees and the reimbursement of expenses incurred in the performance of their duties and the benefit of directors' and officers' liability insurance. They are not eligible to participate in the Group pension arrangements or life insurance arrangements.

Payment for loss of office

In the event that the employment of an ED is terminated, any compensation payment will be determined by reference to the terms of the individual Director's service agreement and the individual's statutory rights. The Company may at its discretion make a payment in lieu of notice equal to base salary, pension, contributions/cash equivalent and the cost of providing life assurance and private medical benefits only. The Company may, at the Committee's discretion, make the payment by way of a lump sum or by instalments over what would have been the notice period and might be subject to mitigation.



The Company may place the ED on gardening leave for the duration of their notice period.

It is the Company's intention that the service contracts for any new EDs will contain equivalent provisions.

The Company reserves the right to make such payment as may be necessary to discharge its legal obligations to the director or by way of settlement of any claim arising in connection with the cessation of a director's office or service, including reimbursement of legal expenses.

The Company may also pay out placement costs.

Annual bonus (cash and deferred)

Annual bonus payments may be made if the Committee consider it appropriate, any payment would be pro-rated for time, and normal performance considerations would apply. In line with the normal policy, the award may be in cash or deferred shares.

Deferred bonus awards

If an Executive Director dies, the Committee may permit deferred bonus awards to be exercised within the 12 month period immediately following death.

If an Executive Director is a good leaver, unvested deferred bonus share awards will normally vest on the vesting date. The Committee has discretion to permit awards to vest early, on cessation of employment. "Good leaver" means ceasing employment due to injury, ill-health, disability, redundancy or the employing company or undertaking ceasing to be under the control of the Company, or any other reason at the discretion of the Committee.

If an Executive Director leaves other than as a good leaver or on death, any unvested deferred bonus share

awards may ordinarily lapse on termination of employment.

The Committee has discretion to permit the Executive Director to retain and exercise such awards until the end of the exercise period or such earlier date as the Committee may determine.

In any case where the Executive Director ceases to be an employee before the vesting date of an award, the award will be reduced pro-rata to the proportion of the vesting period worked, unless the Committee determines otherwise and, if the award is subject to performance conditions, the Committee shall also have the discretion to determine the extent to which performance conditions have been met or may waive the performance conditions.

All staff SIP

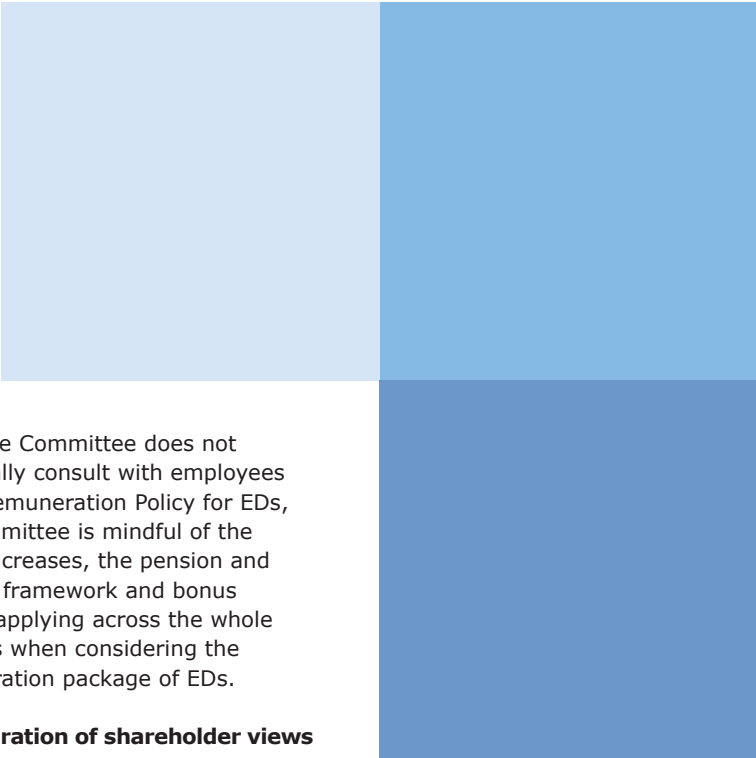
SIP awards are not forfeitable on leaving and SIP shares will be transferred to the ED upon leaving.

Change of control

Treatment of corporate events

On a change of control or voluntary wind up of the Company deferred bonus awards, which have been earned in respect of previous performance periods, will normally vest in full, but may be reduced pro-rata to the proportion of the vesting period up to the relevant corporate event, unless the Committee determines otherwise. If the awards are subject to performance conditions, the Committee shall also have the discretion to determine the extent to which performance conditions have been met or may waive the performance conditions.

The Committee also has the discretion to treat a demerger of the Company that is an exempt distribution as an early vesting event on the same basis as a change of control.



Consideration of employment conditions elsewhere in the Company

Remuneration arrangements are determined throughout the Group based on the same principle, which is to create, maintain and improve our value to our three groups of stakeholders – customers, shareholders and employees.

Whenever possible we are committed to sharing profits between all three groups of stakeholders.

Our commitment to our stakeholders is reflected in our approach to remuneration which is consistent for all employees. The Committee is focussed on ensuring reward is aligned to our culture and our strategy, and alignment with the wider workforce is a key feature of our distinctive approach to remuneration.

Our incentive structure is aligned across the workforce and all employees are made awards under the same performance framework. In line with our remuneration principles, pension contributions for EDs are aligned with those available to the wider workforce and EDs do not receive any benefits which are not available to all employees, save that the CEO is entitled to overnight accommodation in London during the week.

While the Committee does not specifically consult with employees on its Remuneration Policy for EDs, the Committee is mindful of the salary increases, the pension and benefits framework and bonus awards applying across the whole business when considering the remuneration package of EDs.

Consideration of shareholder views

Whilst the Committee did not directly consult with shareholders in the shaping of the Remuneration Policy, the Committee welcomes shareholders' views on executive remuneration. In the formulation of the Remuneration Policy, the Committee took into account general good governance, best practice and shareholder and investor guidance.

The Remuneration Committee takes very seriously the view of shareholders when making any changes to executive remuneration, and it is the Committee's intention to consult with major shareholders in advance of making any material changes to remuneration arrangements.

Directors' remuneration annual report

This report details the remuneration arrangements in place for people who were directors of the Company during the financial year. Judith Davidson, Stuart Bazely and Jeremy Brettell resigned from the board of the Company on 1 October 2017 in preparation for listing. In light of the fact that the largest payment applicable to that service is less than £1,000, the amount is de minimis in accordance with s15(d) of part 3 of The Large and Medium-sized Companies

and Groups (Accounts and Reports) (Amendment) Regulations 2013 and the Company is not reporting on those Directors' remuneration in this Remuneration Report. They did not receive any remuneration on the day that they were Directors of the Company.

There have been no changes to Director's remuneration throughout the year save for the annual bonus award made in December 2017 and pursuant to the annual pay review made in June 2018.

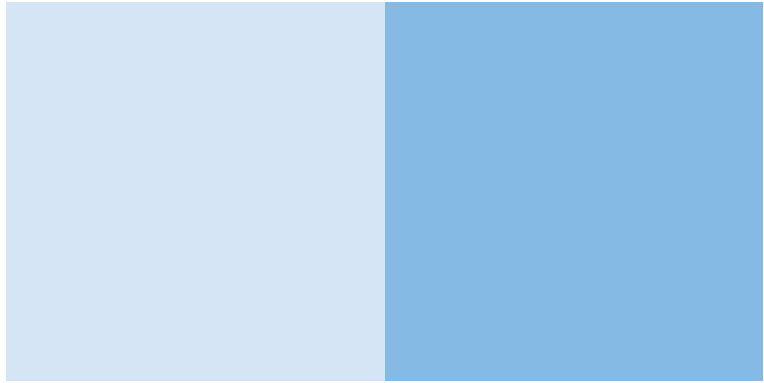
How the Policy was applied in 2017/18

Summary of Total Remuneration – Executive Directors (audited)

Director	Year	Gross Basic Salary	Benefits	Annual Bonus		LTIP	Pension	Total
		£'000	£'000	Cash bonus £'000	Deferred shares £'000			
Ian Taylor	2018	384	48 ¹	200	127	0	10	769
	2017	366	40 ¹	146	0	0	8	560
Alexander Scott	2018	253	0 ¹	100	82	0	10	445
	2017	242	0 ¹	75	0	0	9	326
Michael Howard	2018	0	0	0	0	0	0	0
	2017	0	0	0	0	0	0	0

¹Benefits for Ian Taylor were £48,407 for 2018 and £39,686 for 2017. ¹Benefits for Alexander Scott were £497 for 2018 and £421 for 2017. The difference is the value of overnight accommodation for Ian Taylor.

Michael Howard receives nil remuneration for the Company, but his employer ObjectMastery Services Pty Ltd receives a fee of AUD 50,000 for his executive appointment to IAD Pty, a company within the Group.



Base salary

The EDs' basic annual salaries were in the Prospectus published at IPO. The basic annual salaries for Ian Taylor and Alexander Scott were reviewed in June 2018 in accordance with the Company's all-employee pay review resulting in the following changes to the annualised salary figures:

Director	Basic annual salary as per the Prospectus £'000	Salary effective 1 June 2018 £'000
Ian Taylor	379	395
Alexander Scott	250	260

Benefits

The CEO is entitled to overnight accommodation in London during the working week. Otherwise, EDs do not receive any benefits which are not available to all employees. Benefits for CEO and CFO comprise private health care.

Incentives

IntegraFin has a distinctive culture focussed on our three stakeholders – customers, shareholders and employees. Our incentive structure has been developed to support this culture:

- **Alignment across all staff**
 - All staff are eligible for an annual bonus award. Our incentive structure is aligned across the workforce and all employees are made awards under the same performance framework.
- **Modest incentive opportunity**
 - Our maximum total incentive opportunity for Executive Directors is only 100% of salary, and ordinarily in practice we do not expect awards to exceed 65% of salary.
- **Deferred bonus awards** – Part of the incentive award is in cash and part is in shares through deferred bonus awards. We maintain flexibility on the proportion of each. Deferred bonus awards is our preferred long-term alignment mechanism and we do not operate a long-term incentive plan, as we believe long-term targets have the potential to drive inadvertent behaviours.

- **Our performance framework is also distinctive** – We do not set predefined targets. Instead the Committee considers qualitative and quantitative actual performance against four 'quantitative anchors':
 - Profitability
 - Customer
 - Risk and Regulation
 - Strategy delivery.

As well as individual performance.

Annual bonus (cash and deferred share) awards for the 2018 financial year were as follows:

Director	Cash award		Deferred award	
	£'000		£'000	
Ian Taylor	200	50.6% of salary	127	32.2% of salary
Alexander Scott	100	38.5% of salary	82	31.5% of salary

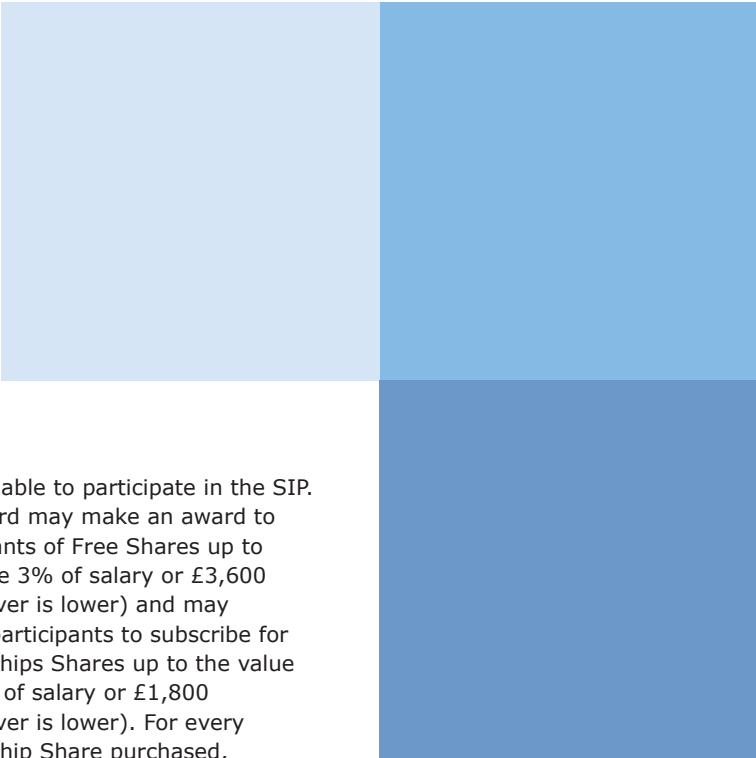
The bonus for the CEO and CFO are recommended by the Board Chair and the CEO respectively, after consultation with Board members. The Remuneration Committee members consider detailed management information (MI) throughout the year which covers factors such as inter alia, financial performance, risk, compliance, conduct, internal controls, client and client adviser metrics, and delivery of strategy.

This year, as in past years, the Committee reviewed the Board Chair's and the CEO's proposals in that context, and considered whether the Executive Directors had delivered appropriate customer, financial and strategic performance whilst also managing risk and maintaining internal controls.

Each year the Committee uses the following 'quantitative anchors' to frame that discussion and challenge:

Quantitative anchor

Financial performance	Planned financial performance has been delivered, with improved financial performance metrics compared to the previous financial year.
Customer	The business continues to maintain or improve its market share and achieve high standards of satisfaction with clients and their advisers.
Risk and regulation	From a risk appetite and conduct perspective management have shown appropriate adherence to internal, legal and regulatory policies, laws and rules. Monitoring, auditing and other assurance activities demonstrate appropriate attention to maintaining the internal control environment.
Strategy delivery	The successful listing was the key event during the year. This was delivered on time with no significant unexpected issues and in a cost effective way. Advisers commented favourably on the quality of preparation and documentation and the listing at the top end of the share price range was a highly satisfactory outcome.



Based on a holistic assessment of Group performance, including consideration of the quantitative anchors and taking into account individual performance, the Committee granted Ian Taylor an annual bonus award equal to 83% of salary and Alexander Scott an award equal to 70% salary.

The proportion of the 2018 annual bonus payable as deferred bonus awards will be granted following the announcement of the Company's annual results. Awards will vest after three years and will be subject to malus and clawback provisions as detailed in the Remuneration Policy. Performance conditions will not apply to these awards as detailed in the Remuneration Policy.

No deferred share awards were made in the 2018 financial year.

LTIPs

The Company does not propose to make any awards to EDs that are dependent on performance conditions relating to more than one year. No such award were made in the 2018 financial year.

SIP

EDs are able to participate in the SIP. The Board may make an award to participants of Free Shares up to the value 3% of salary or £3,600 (whichever is lower) and may permit participants to subscribe for Partnerships Shares up to the value of 1.5% of salary or £1,800 (whichever is lower). For every Partnership Share purchased, the Company has agreed to award two Matching Shares. The £3,600 and £1,800 limits are set by applicable legislation and will be revised automatically in the event of any changes to the legislation.

No SIP awards were made in the 2018 financial year. The Board has considered the Company's performance in the 2018 financial year and, with the approval of the Remuneration Committee, has approved the making of the maximum SIP award to qualifying employees (including Ian Taylor and Alexander Scott) when the Company is not in a closed period. This will be following the announcement of the Company's financial results.

Pension contributions

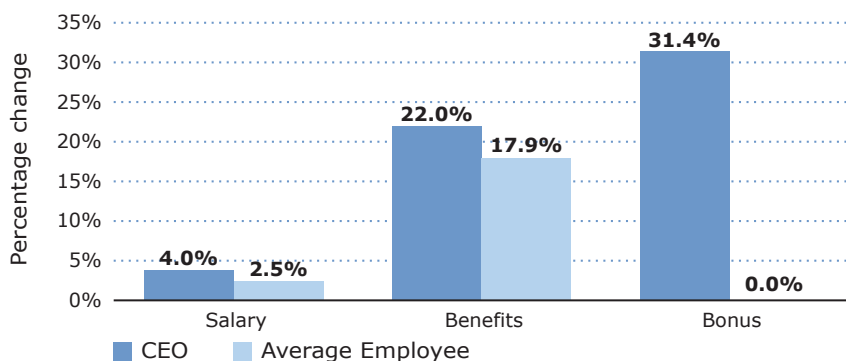
Pension contributions for Ian Taylor and Alexander Scott are currently made by reference to the relevant personal allowance at £10,000 per Executive Director. In line with our remuneration principles, pension contributions for Executive Directors are aligned with those available to the wider workforce.

Percentage change in CEO remuneration compared to average employee

The graph shows the percentage movement in the salary, benefits and annual cash bonus for the Chief Executive between the current and previous financial year compared to that for the average Group employee.

The SIP scheme is provided to all staff, including EDs, and is not included above.

PERCENTAGE CHANGE IN CEO REMUNERATION COMPARED TO AVERAGE EMPLOYEE



Notes to the table:

The CEO received an annual bonus in 2018 enhanced primarily in respect of the delivery of the IPO. The average staff annual bonus was the same as previous years. The table does not include salary and benefits movement for Australian employees as their employment benefit package differs from the UK staff package in recognition of different compensation and benefit rules in Australia. The Company has therefore deemed it inappropriate to include their remuneration in this comparison.

Relative importance of spend on pay

The following table sets out the percentage change in profit, dividends and overall spend on pay in the year ending 30 September 2018, compared to the year ending 30 September 2017.

	2018 £'000	2017 £'000	Percentage Change
IFRS profit after tax	32,906	29,889	10%
Dividends	30,780	13,532	128%
Employee remuneration costs	28,646	25,474	12%

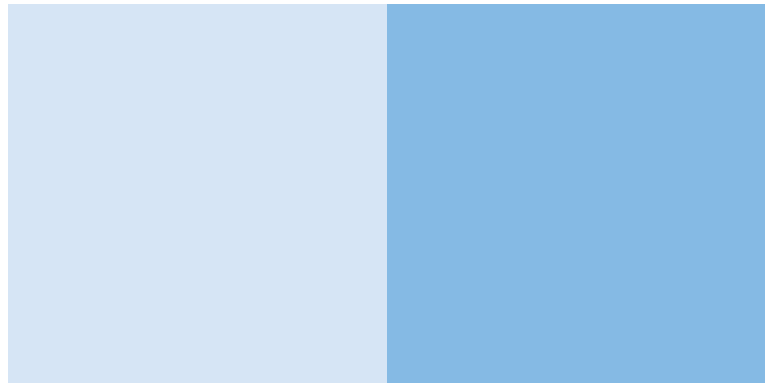
Payments to past directors

Judith Davidson, Stuart Bazely and Jeremy Brettell resigned from the board of the Company on 1 October 2017 in preparation for listing. In light of the fact that the largest payment made to them following their resignation in relation to that service as directors of the Company is less than £1,000, the amount is considered de minimis in accordance with s15(d) of Part 3 of The Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008. Therefore the Company is not reporting on payments made to them following

the termination of their office in this Remuneration Report.

Patrick Snowball resigned as Non-executive Chair of the Board on 22 August 2018. His total remuneration for his period of office is set out below.

Stuart Bazely and Jeremy Brettell continue to be Non-Executive Directors for IFAL and have been remunerated for those services. Judith Davidson continues to be an employee and Executive Director of entities within the Group and is remunerated for these services by the Group's services company.



Payments for loss of office

The outgoing Non-Executive Directors and Chair received fees in respect of their appointment up to the effective date of their resignation from office.

None of the outgoing Directors received a termination payment.

Shareholding requirements and Directors' share interests

No share awards were awarded to EDs during the financial year. EDs of IHP and their connected persons are subject to the terms of a shareholder lock-up entered into prior to the Company's admission

to the main market ("Admission"). The shareholder lock-up expires on 27 February 2019.

Following the expiry of the lock-up provisions there are no minimum shareholding requirements in place that would limit the number of shares that could be sold.

Director/Connected person	Shares held at 30 September 2018	Shares held at 1 October 2017
Ian Taylor	2,610,630	11,886 Class C
	-	7,000 Class D
Furley Page Executor & Trustee Company Limited	4,410,402	7,000 Class D
Frances Taylor	5,095,270	24,000 Class C
Patrick Taylor	229,652	1000 Class D
Elizabeth Taylor	229,652	1000 Class D
Anna Taylor	229,652	1000 Class D
Michael Howard	43,950,000	217,501 Class B
Ganymede Retirement Nominees Pty Ltd	0	2,177 Class A
	0	8,602 Class B
	0	10,000 Class C
Ganymede Investments Pty	6,088,247	0
Alexander Scott	1,148,260	5,000 Class D
Christopher Munro	1,426,324	9,736 Class A
Patrick Snowball	61,530	0
Judith Davidson	574,130	2,500 Class D
Patrick Sweeney	2,719,919	10,459 Class A
		74 Class B
Oliver Sweeney	574,130	2,500 Class D
David Johnson	97,578	450 Class D
Candida Johnson	1,039,152	4,500 Class D
Jonathan Gunby	51,648	250 Class D
Cheryl Gunby	970,256	4,250 Class D
Edward Gunby	51,648	250 Class D
Matthew Gunby	51,648	250 Class D
Neil Holden	0	0
Caroline Banzsky	0	0
Victoria Cochrane	0	0
Stuart Bazley	0	0
Jeremy Brettell	0	0

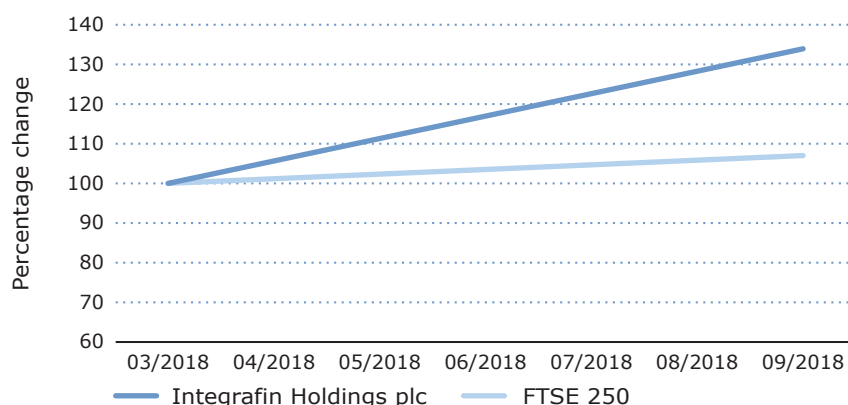
No Directors have any vested or unvested share awards as at the end of the Financial Year.

**Shareholder return
Performance Graph and CEO
pay over the same period**

This graph shows the Company's total shareholder return performance from Admission to 30 September 2018.

The Company has chosen to show total shareholder return against the FTSE 250 total return over the same period, as the Board considers this to be the most appropriate comparator.

**TOTAL SHAREHOLDER RETURN PERFORMANCE VS FTSE250
OVER THE INITIAL FINANCIAL PERIOD**



The following table shows the Chief Executive Officer's remuneration for 2017/18:

CEO 2018

CEO single figure of remuneration	£769k
Annual bonus payout (as a % of maximum opportunity)	83%
LTIP vesting out-turn (as a % of maximum opportunity)	N/A

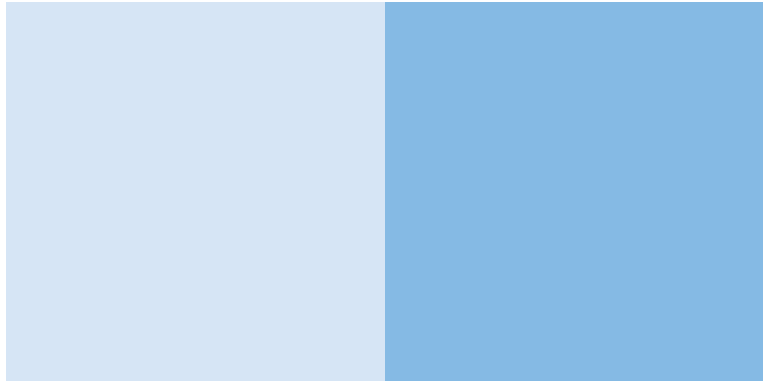
At the point of the 2018 award the annual bonus was operated on an uncapped basis. In order to facilitate comparison, the current 100% of salary cap has been applied retrospectively.

Chair and Non-Executive Director remuneration

The remuneration paid to the Chair and Non-Executive Directors were set prior to Admission and no increases have been applied since then. In respect of the financial year ending 30 September 2018 the amounts are as follows.

Element of remuneration by Director	Year	Fees £'000	Expenses £'000
Christopher Munro	2018	57	0
	2017	24	0
Neil Holden	2018	52	0
	2017	36	0
Caroline Banzsky	2018	7	0
	2017	-	-
Victoria Cochrane	2018	0	0
	2017	-	-
Patrick Snowball	2018	89	0
	2017	24	0

De minimis expenses are for reimbursement of extraordinary communication costs and taxable travel expenses grossed up for the tax payable thereon.



DIRECTORS' REPORT

The Directors present their report and Financial Statements for the year ending 30 September 2018.

The content of the "Management Report" required by the FCA Disclosure and Transparency Rule DTR4.1 can be found in the Strategic Report and the Governance section of the Annual Report and Accounts. An individuation of the likely future developments can also be found in the Strategic Report and the Business Model and Strategy report.

Information disclosed in accordance with the requirements of the applicable sections of the FCA Listing Rule LR9.8 (Annual Financial Report) can be found here:

Details of Long-Term Incentive Schemes
– *The Directors' Remuneration Report*

Directors' Interests in the Company's Shares
– *The Directors' Remuneration Report*

Major Shareholders' Interests
– *Directors' Report*

Directors' unexpired contract terms
– *Directors' Report*

Directors transactions in the Company's Shares
– *Director's Report*

The review of the business and principal risks and uncertainties are disclosed within the Strategic Report.

Directors

The Directors who served during the financial year were as follows:

Christopher Munro

Michael Howard

Ian Taylor

Alexander Scott

Neil Holden

Caroline Banzsky
(from 22 August 2018)

Victoria Cochrane
(from 28 September 2018)

Patrick Snowball
(to 22 August 2018)

Judith Davidson
(to 1 October 2017)

Jeremy Brettell
(to 1 October 2017)

Stuart Bazely
(to 1 October 2017)

According to the Register of Directors' Interests in the Company, no rights to subscribe for shares or share options were granted or exercised by any of the Directors or their immediate families during the financial year.

Caroline Banzsky and Victoria Cochrane are standing for election at the upcoming AGM.

All other Directors are standing for re-election at the upcoming AGM.

Details of unexpired contract terms

The following Non-Executive Directors will have the stated unexpired contract terms when they stand for re-election at the AGM.

Director	Unexpired Contract Term (years)
Christopher Munro	2
Neil Holden	1
Caroline Banzsky	2.75
Victoria Cochrane	2.75

Status of Company

The Company is registered as a public limited company under the Companies Act 2006.

For details of the Company's organisational structure and subsidiaries, please see page 6.

Share Capital

Structure of the Company's Capital

The Company has 331,322,014 ordinary £0.01 shares in issue. There are no treasury shares.

Voting Rights

At any General Meeting, on a show of hands, any member present in person has one vote and every proxy present who has been duly appointed by a member entitled to vote on a resolution has one vote. On a poll vote every person present in person or by proxy has one vote for every share held. All shares carry equal voting rights and there are no restrictions on voting rights.

Restrictions on Share Transfers

There are restrictions on the transfer of shares held by Executive Directors and Senior Managers who are subject to the terms of the shareholder Lock-up. The shareholder Lock-up ends on 27 February 2019 after which date there will be no restrictions on share transfers.

Substantial Shareholders

As at 5 December 2018 the Company had been notified of the following interests in 3% or more of the Company's issued ordinary share capital disclosed to the Company

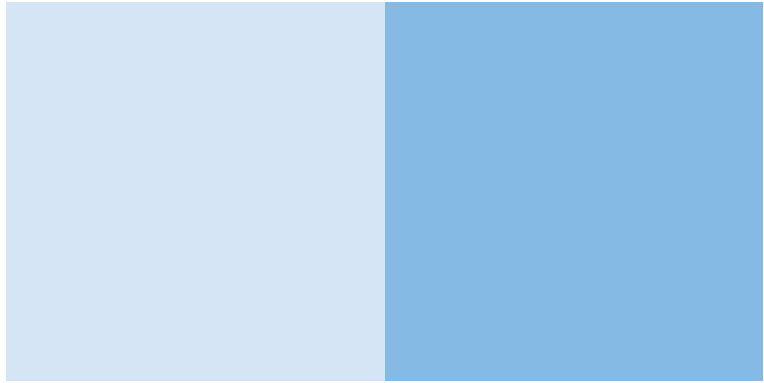
under Disclosure Guidance and Transparency Rule 5. The information provided below was correct as at the date of notification. It should be noted that these holdings are likely

to have changed since notified to the Company. However notification of any change is not required until the next applicable threshold is crossed.

Shareholder	Nature of Holding	Number of Ordinary Shares at 30 September 2018	% of Voting Rights at 30 September 2018	Number of Ordinary Shares at 5 December 2018	% of Voting Rights at 5 December 2018
BlackRock Inc	Indirect	20,192,627	6.09%	16,625,002	5.01%
	Securities Lending	53,374	0.02%	4,604,056	1.38%
	Contracts for difference	1,748,483	0.52%	2,362,825	0.71%
Montanaro Asset Management Limited	Indirect	9,982,000	3.01%	8,782,000	2.65%

The percentage provided was correct at the date of notification.

The interests of the Directors, and any persons closely associated, in the issued share capital of the Company are shown on page 77.



Directors' interests

A person connected to Michael Howard, Ganymede Retirement Nominees Pty Ltd transferred its entire shareholding in the Company to Ganymede Investments Pty Ltd on 14 August 2018.

Dividends

In the 2018 financial year the Company paid one interim and one special dividend. Both dividends were paid by reference to the Company's issued and allotted share capital prior to the share capital reorganisation on 22 February 2018.

An interim dividend of 5.9 pence per share, which equates to £19,418,436.04, was paid on 12 January 2018.

A special dividend of 3.4 pence per share, which equates to £11,372,780.00, was paid on 22 January 2018.

An interim dividend of 6.4 pence per share, which equates to £21,204,608.90, has been declared by the Board and will be paid in January 2019.

Indemnity provision

Directors' and officers' insurance is in place to indemnify the Directors against liabilities arising from the discharge of their duties as Directors of the Company.

Employee information

The Company has no employees (2017: nil), but the Group has 519 employees (2017: 467). The Group continues to promote a culture whereby employees are encouraged to develop and contribute to the overall aims of the business and does not discriminate on any grounds.

Auditors

BDO LLP has indicated its willingness to continue in office. A resolution to reappoint BDO LLP as auditors for the ensuing year will be proposed at the next AGM.

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

- So far as the Director is aware, there is no relevant audit information of which the Company's auditor is unaware; and

- The Director has taken all the steps that (s)he ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information. This confirmation is given and should be interpreted in accordance with the provision of s418 of the Companies Act 2006.

This confirmation is given in accordance with the provisions of section 418 of the Companies Act 2006.

By order of the Board

Ian Taylor
Chief Executive Officer

Alexander Scott
Chief Financial Officer

12 December 2018

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Directors are responsible for preparing the Annual Report and the Financial Statements in accordance with the Companies Act 2006 and for being satisfied that the Annual Report and Financial Statements, taken as a whole, give a fair, balanced and understandable view which provides the information necessary for shareholders to assess the Company's position and performance, business model and strategy.

The Directors are also responsible for preparing the Financial Statements in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union.

Company law requires the Directors to prepare Financial Statements for each financial year which give a true and fair view of the state of affairs of the Company and Group and of the profit or loss of the Group for that year.

In preparing those 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;
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the Financial Statements; and
- Prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the Company and Group will continue in business.

The Directors are responsible for keeping adequate accounting records that show and explain the Group's transactions, 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 also responsible for safeguarding the assets of the Company and Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The current Directors, at the date of approval of this report, confirm that they have taken all of the steps that they ought to have taken as Directors to make themselves aware of any information needed by the Company's auditor for the purposes of the audit, and to establish that the auditor is aware of that information. The Directors are not aware of any relevant audit information of which the auditor is unaware.

The Directors consider it appropriate to adopt the going concern basis of accounting in preparing the consolidated Financial Statements as they believe the Group will continue to be in business, and meet any liabilities as they fall due, for a period of at least twelve months from the date of approval of the Financial Statements.

By order of the Board

David Johnson
Company Secretary

12 December 2018

FINANCIAL STATEMENTS

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF INTEGRAFIN HOLDINGS PLC

Opinion

We have audited the Financial Statements of IntegraFin Holdings plc (the 'parent company') and its subsidiaries (the 'Group') for the year ended 30 September 2018 which comprise the Consolidated and Company Statement of Profit and Loss and Other Comprehensive Income, Consolidated and Company Statement of Financial Position, Consolidated and Company Statement of Cash Flows, Consolidated and Company 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 International Financial Reporting Standards (IFRSs) as adopted by the European Union and, as regards the parent company Financial Statements, as applied in accordance with the provisions of the Companies Act 2006.

In our opinion the Financial Statements:

- give a true and fair view of the state of the Group's and of the parent company's affairs as at 30 September 2018 and of the Group's and parent company's profit for the year then ended;
- the Group Financial Statements have been properly prepared in accordance with IFRSs as adopted by the European Union;
- the parent company Financial Statements have been properly prepared in accordance with IFRSs as adopted by the European Union and as applied in accordance with the provisions of the Companies Act 2006; and

- the Financial Statements have been prepared in accordance with the requirements of the Companies Act 2006; and, as regards the group Financial Statements, Article 4 of the IAS Regulation.

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 section of our Report. We are independent of the Group and the parent 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 as applied to listed public interest entities, 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 principal risks, going concern and viability statement

We have nothing to report in respect of the following information in the annual report, in relation to which the ISAs (UK) require us to report to you whether we have anything material to add or draw attention to:

- the disclosures in the annual report set out on page 31 that describe the principal risks and explain how they are being managed or mitigated;
- the directors' confirmation set out on page 34 in the Annual Report that they have carried out a robust assessment of the principal risks facing the group, including those that would threaten its business model, future performance, solvency or liquidity;

- the Directors' statement set out on page 35 in the Financial Statements about whether the Directors considered it appropriate to adopt the going concern basis of accounting in preparing the Financial Statements and the Directors' identification of any material uncertainties to the Group and the parent company's ability to continue to do so over a period of at least twelve months from the date of approval of the Financial Statements;
- whether the Directors' statement relating to going concern required under the Listing Rules in accordance with Listing Rule 9.8.6R(3) is materially inconsistent with our knowledge obtained in the audit; or
- the Directors' explanation set out on page 35 in the Annual Report as to how they have assessed the prospects of the Group, over what period they have done so and why they consider that period to be appropriate, and their statement as to whether they have a reasonable expectation that the Group will be able to continue in operation and meet its liabilities as they fall due over the period of their assessment, including any related disclosures drawing attention to any necessary qualifications or assumptions.

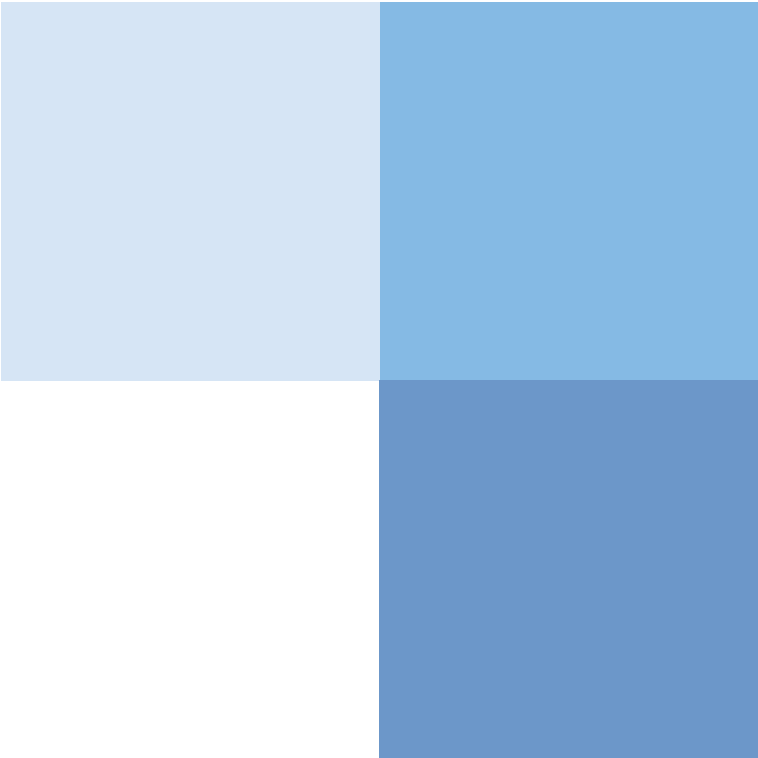
Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the Financial Statements of the current period and include the most

significant assessed risks of material misstatement (whether or not due to fraud) that we identified. These matters included those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the

engagement team. These matters were addressed in the context of our audit of the Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Matter	Audit response
<p>IT Risk and Revenue Recognition</p> <p>The Group’s revenue is made up of distinct components, primarily from fees due from investment administration services, life assurance business and consultancy services.</p> <p>There is a presumption associated with revenue that a fraud risk exists due to its nature as the main driver of profit for the Group.</p> <p>Revenue is automatically calculated by the IT system based on Transact published rates. Due to the high level of automation involved by both the client and audit team, any fraud or error associated with revenue recognition may result in a material misstatement of the Financial Statements.</p> <p>Because of the level of automation involved and because of the significant effect that a weakness or failure in the IT system over revenue may cause, this is considered to be a key audit matter.</p>	<p>Our procedures focussed on the key IT processes and controls over IT systems critical to the recognition and calculation of revenue.</p> <p>We updated our understanding of the Group’s key IT applications, processes and controls that drive the recognition and calculation of revenue by carrying out walk-through procedures.</p> <p>We then performed the following procedures:</p> <ul style="list-style-type: none"> ▪ We tested the operating effectiveness of the IT General Controls (ITGCs) governing Logical Access Control, Program Change Control and Data Processing Management; ▪ We tested the operational effectiveness of relevant application interfaces; ▪ We performed testing on relevant reports and information extracted from the IT system to ensure accuracy and completeness of information produced by the entity ('IPE'); and ▪ In respect of the migration that occurred in the year of a key accounting system we performed testing to show that the access rights were transferred on a like for like basis, and further tested that a trial balance reconciliation was performed and signed off by management to confirm that the transfer was complete and accurate. <p>Controls testing:</p> <ul style="list-style-type: none"> ▪ We tested the controls in place over accuracy of inputs into the trading system, as these represent key controls over the accuracy and completeness of revenue recognition; ▪ We tested controls in place covering the identification and resolution of rejected trades to provide assurance over revenue recognised; and ▪ We tested the controls in place covering the approval of fee exceptions, as changes in rates could affect revenue recognised. <p>Tests of detail and substantive analytical procedures:</p> <p>We tested the accuracy and completeness of revenue by performing a recalculation of key income streams including annual commission; buy commission and wrapper fee income. This was then compared against the amount recognised in the Financial Statements;</p> <p>We performed data analytics procedures on trades from the underlying database within the IT system to identify revenue items that appeared to be irregular in relation to our understanding of the normal course of business and then investigated any anomalies identified (e.g. duplicate trades). For trades that appeared to be anomalies, we obtained an understanding of their nature and corroborated this against the underlying client system and other records to confirm validity; and</p> <p>We have assessed the revenue accounting policies and confirmed they are applicable to International Financial Reporting Standards (IFRSs) as adopted by the European Union.</p>



Our application of materiality

We apply the concept of materiality both in planning and performing our audit, and in evaluating the effect of misstatements. We consider materiality to be the magnitude by which misstatements, including omissions, could influence the economic decisions of reasonable users that are taken on the basis of the Financial Statements. Importantly, misstatements below these levels will not necessarily be evaluated as immaterial as we also take account of the nature of identified misstatements, and the particular circumstances of their occurrence, when evaluating their effect on the Financial Statements as a whole.

Based on professional judgement, we determined materiality for the Financial Statements as a whole as follows:

Group Materiality	FY 2018	Basis for materiality
Overall Materiality	£2.05m	5% of profit on ordinary activities before taxation attributable to shareholders of £40.9 million
Materiality for policyholder assets and liabilities and associated income statement line items	£146.89m	1% of total assets of £14.69 million

We consider profit before tax to be the most significant determinant of the Group’s financial performance used by shareholders. Based on the guidance on the audit of insurers issued in the United Kingdom issued by the Financial Reporting Council we have applied a higher materiality for the policyholder assets and liabilities, solely for the purpose of identifying and evaluating the effect of misstatements that are likely only to lead to a reclassification between line items within assets and liabilities. The entities manage investment linked assets on behalf of their clients (long-term insurance business). Any liability owed to its client is covered by the assets held by the entities and the investment return derived on the associated assets is offset by the change in provision for

investment contract liabilities. Therefore using total assets is appropriate for determining this materiality level.

For each component in the scope of our group audit, we allocated a materiality that is less than our overall group materiality.

Audits of the components were performed at a materiality level calculated by reference to a proportion of Group materiality appropriate to the relative scale of the business concerned.

For components out of scope of our Group audit and considered non-significant, these components were principally subject to analytical review procedures, together with additional testing over audit risk areas.

We agreed with the Audit Committee that we would report to the committee all individual audit differences identified during the course of our audit in excess of £41,000. For policyholder assets and liabilities and associated income statement line items we agreed with the Audit Committee that we would report to the committee all individual audit differences identified during the course of our audit in excess of £2.94 million. We also agreed to report differences below these thresholds that, in our view, warranted reporting on qualitative grounds.

There were no misstatements identified during the course of our audit that were individually, or in aggregate, considered to be material in terms of their absolute monetary value or on qualitative grounds.

An overview of the scope of our audit

We carried out a full scope audit. Our audit approach was developed by obtaining an understanding of the Group’s activities and the overall control environment. Based on this understanding we assessed those aspects of the Group’s transactions and balances which were most likely to give rise to a material misstatement.

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the Financial Statements. In particular, we looked at where the Directors made subjective judgements.

Seven of the components within the Group required an audit of their complete financial information. Of these, five components were considered financially significant as they each either contributed greater than 15% of the Group’s profit before tax, net assets or total expenses. The remaining two components required an audit due to Company law requirements.

Of the in scope components, five components were audited by BDO LLP while two of the components were audited by KPMG, which contributed 55% of profit before tax.

In respect of the two non-significant components, which contributed 3% of profit before tax, the Group audit team performed certain audit procedures over the financial information relevant to the consolidated Financial Statements.

These procedures were performed to an appropriate level of materiality having regard to the level of Group materiality described above as well as aggregation risk. All significant components of the Group have continuous year ends.

We gained an understanding of the legal and regulatory framework applicable to the Group and the industry in which it operates, and

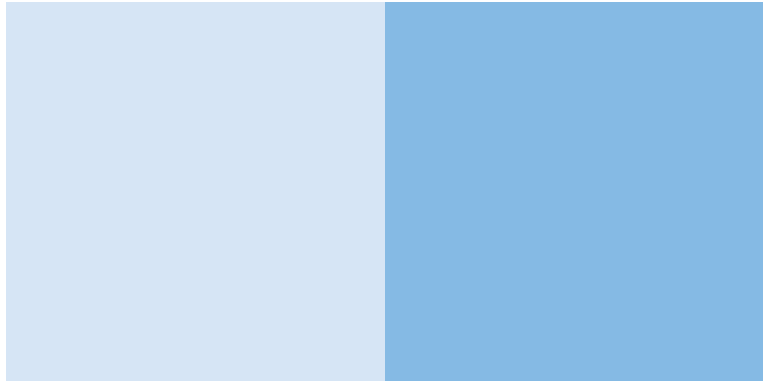
considered the risk of acts by the Group which were contrary to applicable laws and regulations, including fraud. These included but were not limited to compliance with Companies Act 2006, the FCA listing and Disclosure Transparency Rules (DTR), the principles of the UK Corporate Governance Code, industry practice represented by IFRS, as adopted by the European Union.

We designed audit procedures to respond to the risk, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion.

We focussed on laws and regulations that could give rise to a material misstatement in the Group Financial Statements. Our tests included, but were not limited to:

- agreement of the financial statement disclosures to underlying supporting documentation;
- enquiries of management;
- review of minutes of board meetings throughout the period; and
- considering the effectiveness of control environment in monitoring compliance with laws and regulations

There are inherent limitations in the audit procedures described above and the further removed noncompliance with laws and regulations is from the events and transactions reflected in the Financial Statements, the less likely we would become aware of it. As in all of our audits we also addressed the risk of management override of internal controls, including testing journals and evaluating whether there was evidence of bias by the Directors that represented a risk of material misstatement due to fraud.



Other information

The other information comprises the information included in the Annual Report, other than the Financial Statements and our auditor's report thereon. The Directors are responsible for the other information. 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 the other information, we are required to report that fact.

We have nothing to report in this regard.

In this context, we also have nothing to report in regard to our responsibility to specifically address the following items in the other information and to report as uncorrected material misstatements of the other information where we conclude that those items meet the following conditions:

- **Fair, balanced and understandable set out on page 82** – By the Directors that they consider the Annual Report and Financial Statements taken as a whole is fair, balanced and understandable and provides the information necessary for shareholders to assess the

Group's performance, business model and strategy, is materially inconsistent with our knowledge obtained in the audit; or

- **Audit committee reporting set out on page 46** – The section describing the work of the Audit Committee does not appropriately address matters communicated by us to the Audit Committee; or
- **Directors' statement of compliance with the UK Corporate Governance Code set out on page 41** – The parts of the Directors' statement required under the Listing Rules relating to the Company's compliance with the UK Corporate Governance Code containing provisions specified for review by the auditor in accordance with Listing Rule 9.8.10R(2) do not properly disclose a departure from a relevant provision of the UK Corporate Governance Code.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, the part of the Directors' Remuneration Report to be audited has been properly prepared in accordance with 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 those reports have been prepared in accordance with applicable legal requirements;
- the information about internal control and risk management systems in relation to financial reporting processes and about share capital structures, given in compliance with rules 7.2.5 and 7.2.6 in the Disclosure Guidance

and Transparency Rules sourcebook made by the Financial Conduct Authority (the FCA Rules), is consistent with the Financial Statements and has been prepared in accordance with applicable legal requirements; and

- information about the Company's corporate governance code and practices and about its administrative, management and supervisory bodies and their committees complies with rules 7.2.2, 7.2.3 and 7.2.7 of the FCA Rules.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the Group and the parent 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; or
- the information about internal control and risk management systems in relation to financial reporting processes and about share capital structures, given in compliance with rules 7.2.5 and 7.2.6 of the FCA Listing Rules.

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

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company Financial Statements and the part of the Directors' remuneration report to be audited are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or

- we have not received all the information and explanations we require for our audit; or
- a corporate governance statement has not been prepared by the parent company.

Responsibilities of Directors

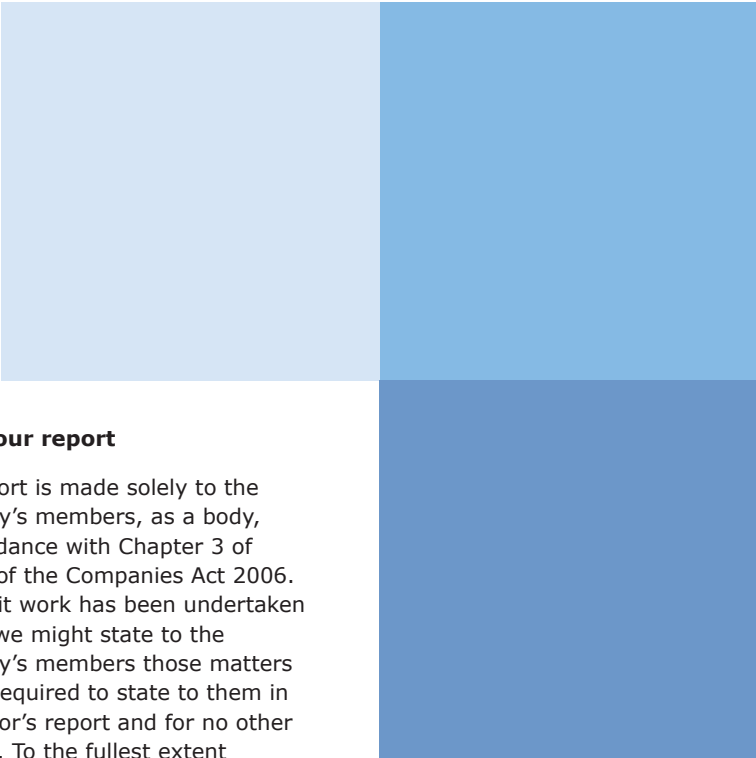
As explained more fully in the Statement of Directors' Responsibilities set out on page 82, the Directors are responsible for the preparation of the Financial Statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary 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 Group's and the parent 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 Group or the parent 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.



Other matters which we are required to address

Following the recommendation of the Audit Committee, we were appointed by the Board of Directors to audit the Financial Statements for the year ending 30 September 2011 and subsequent financial periods. The period of total uninterrupted engagement is 8 years, covering the years ending 30 September 2011 to 30 September 2018.

The non-audit services prohibited by the FRC's Ethical Standard were not provided to the Group or the parent company and we remain independent of the Group and the parent company in conducting our audit.

Our audit opinion is consistent with the additional report to the Audit Committee.

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.

Neil Fung-On (Senior Statutory Auditor)

For and on behalf of BDO LLP,
Statutory Auditor

London

12 December 2018

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

FINANCIAL STATEMENTS continued

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Note	2018 £'000	2017 £'000
Revenue			
Fee income	5	91,194	80,242
Cost of sales		(824)	(599)
Gross profit		90,370	79,643
Administrative expenses	7	(49,683)	(42,837)
Net income attributable to policyholder returns	10	5,309	5,607 ¹
Operating profit		45,996	42,413
Operating profit attributable to policyholder returns	10	5,309	5,607
Operating profit attributable to shareholder returns		40,687	36,806
Investment returns		23	-
Interest income	8	211	178
Profit on ordinary activities before taxation		46,230	42,591
Profit on ordinary activities before taxation attributable to policyholder returns	10	5,309	5,607
Profit on ordinary activities before taxation attributable to shareholder returns		40,921	36,984
Policyholder tax	10	(5,178)	(5,521) ¹
Tax on profit on ordinary activities	9	(8,146)	(7,181)
Profit for the financial year		32,906	29,889
Other comprehensive income			
Exchange gains/(losses) arising on translation of foreign operations		(66)	10
Total other comprehensive income for the financial year		(66)	10
Total comprehensive income for the financial year		32,840	29,899
Earnings per share			
Earnings per share – basic and diluted	6	9.9p	9.0p

All activities of the Group are classed as continuing.

¹Restated see Note 10

Notes 1 to 34 form part of these Financial Statements

COMPANY STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Note	2018 £'000	2017 £'000
Revenue		-	-
Cost of sales		-	-
Gross profit		-	-
Administrative expenses	7	(3,377)	(1,015)
Operating loss		(3,377)	(1,015)
Dividend income	34	40,130	19,281
Interest income	8	93	24
Profit on ordinary activities before taxation		36,846	18,290
Tax on profit on ordinary activities	9	-	-
Profit for the financial year		36,846	18,290
Other comprehensive income		-	-
Total comprehensive income for the financial year		36,846	18,290

All activities of the Company are classed as continuing.

Notes 1 to 34 form part of these Financial Statements

FINANCIAL STATEMENTS continued

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Note	2018 £'000	2017 £'000
Non-current assets			
Loans and receivables		1,189	1,873
Intangible assets	11	12,966	12,986
Property, plant and equipment	12	1,813	1,858
Deferred tax asset	21	44	50
Deferred acquisition costs	14	46,073	38,295
		62,085	55,062
Current assets			
Financial assets at fair value through profit or loss	16	6,219	8,895
Other prepayments and accrued income	17	11,471	10,202
Trade and other receivables	18	4,058	1,456
Investments and cash held for the benefit of policyholders	15	14,489,933	11,947,652 ¹
Cash and cash equivalents		116,849	105,829
		14,628,530	12,074,034
Current Liabilities			
Trade and other payables	19	14,764	15,208
Liabilities for linked investment contracts	15	14,489,933	11,947,652 ¹
Current tax liabilities		3,195	2,803
		14,507,892	11,965,663
Non-current liabilities			
Provisions for liabilities	23	19,137	11,831
Deferred income liability	20	46,073	38,295
Deferred tax liabilities	21	12,570	10,781
		77,780	60,907
Net assets		104,943	102,526
Capital and reserves			
Called up equity share capital	24	3,313	57
Capital redemption reserve	25	2	2
Share-based payment reserve	26	530	308
Foreign exchange reserve	27	(24)	42
Non-distributable reserves	28	5,722	5,722
Non-distributable insurance reserves		501	501
Profit or loss account		94,899	95,894
Total equity		104,943	102,526

These Financial Statements were approved by the Board of Directors on 12 December 2018 and are signed on their behalf by:

Ian Taylor, Director

Company Registration Number: 08860879

¹Reclassified from non-current to current

Notes 1 to 34 form part of these Financial Statements

COMPANY STATEMENT OF FINANCIAL POSITION

	Note	2018 £'000	2017 £'000
Non-current assets			
Investment in subsidiaries	13	14,563	14,213
Loans and receivables		1,189	1,873
		15,752	16,086
Current assets			
Prepayments	15	33	-
Other receivables	18	52	7
Cash and cash equivalents		26,309	20,081
		26,394	20,088
Current liabilities			
Trade and other payables	19	723	1,156
		723	1,156
Net assets		41,423	35,018
Capital and reserves			
Called up equity share capital	24	3,313	57
Profit or loss account		37,760	34,961
Share-based payment reserve	26	350	-
Total equity		41,423	35,018

These Financial Statements were approved by the Board of Directors on 12 December 2018 and are signed on their behalf by:

Ian Taylor
Director

Company Registration Number: 08860879

Notes 1 to 34 form part of these Financial Statements

FINANCIAL STATEMENTS continued

CONSOLIDATED STATEMENT OF CASH FLOWS

	2018	2017
	£'000	£'000
Cash flows from operating activities		
Profit before tax	46,230	44,889
Adjustments for:		
Amortisation and depreciation	608	571
Share-based payment charge	350	-
Interest on cash held	(211)	(178)
Investment returns	(23)	-
Increase in loans and receivables	(3,871)	(269)
Increase in investments and cash held for the benefit of policyholders	(2,542,281)	(631,181)
(Decrease)/increase in payables	(444)	920
Decrease in current asset investments	2,676	81
Increase in liabilities for linked investment contracts	2,542,281	631,181
(Decrease)/increase in provisions	9,101	(1,432)
Cash generated from operations	54,416	44,582
Income taxes paid	(12,932)	(13,684)
Net cash flows from operating activities	41,484	30,898
Investing activities		
Acquisition of tangible assets	(542)	(434)
Decrease/(increase) in loans	684	(1,873)
Interest on cash held	211	178
Investment returns	23	-
Net cash used in investing activities	376	(2,129)
Financing activities		
Equity dividends paid	(30,780)	(13,521)
Net cash used in financing activities	(30,780)	(13,521)
Net increase in cash and cash equivalents	11,080	15,248
Cash and cash equivalents at beginning of year	105,829	90,571
Exchange gains/(losses) on cash and cash equivalents	(60)	10
Cash and cash equivalents at end of year	116,849	105,829

Notes 1 to 34 form part of these Financial Statements

COMPANY STATEMENT OF CASH FLOWS

	2018 £'000	2017 £'000
Cash flows from operating activities		
Profit before tax	36,846	18,290
Adjustments for:		
Interest	(93)	(24)
Decrease/(increase) in loans and receivables	(78)	1
(Decrease)/increase in payables	(433)	769
Cash generated from operations	36,242	19,036
Investing activities		
Interest received	93	24
Decrease/(increase) in loans	684	(1,873)
Net cash used in investing activities	777	(1,849)
Financing activities		
Equity dividends paid	(30,791)	(13,528)
Net cash used in financing activities	(30,791)	(13,528)
Net increase in cash and cash equivalents	6,228	3,659
Cash and cash equivalents at beginning of year	20,081	16,422
Cash and cash equivalents at end of year	26,309	20,081

Notes 1 to 34 form part of these Financial Statements

FINANCIAL STATEMENTS continued

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Share capital £'000	Non distrib- utable reserves £'000	Other reserves £'000	Share- based payment reserve £'000	Non distrib- utable insurance reserves £'000	Retained earnings £'000	Total equity £'000
Balance at 1 October 2016	57	5,722	34	308	501	79,622	86,244
Comprehensive income for the year:							
Profit for the year	-	-	-	-	-	29,889	29,889
Other comprehensive income	-	-	10	-	-	-	10
Other movement	-	-	-	-	-	(96)	(96)
Total comprehensive income for the year	-	-	10	-	-	29,793	29,803
Distributions to owners:							
Dividends	-	-	-	-	-	(13,521)	(13,521)
Total distributions to owners	-	-	-	-	-	(13,521)	(13,521)
Balance at 1 October 2017	57	5,722	44	308	501	95,894	102,526
Comprehensive income for the year:							
Profit for the year	-	-	-	-	-	32,906	32,906
Movement in currency translation	-	-	(66)	-	-	-	(66)
Total comprehensive income for the year	-	-	(66)	-	-	32,906	32,840
Distributions to owners:							
Issue of share capital	3,256	-	-	-	-	(3,256)	-
Dividends	-	-	-	-	-	(30,780)	(30,780)
Other movement	-	-	-	222	-	135	357
Total distributions to owners	3,256	-	-	222	-	(33,901)	(30,423)
Balance at 30 September 2018	3,313	5,722	(22)	530	501	94,899	104,943

Notes 1 to 34 form part of these Financial Statements

COMPANY STATEMENT OF CHANGES IN EQUITY

	Share capital £'000	Share premium £'000	Capital redemption reserve £'000	Share-based payment reserve £'000	Retained earnings £'000	Total equity £'000
Balance at 1 October 2016	57	-	-	-	614	671
Comprehensive income for the year:						
Profit for the year	-	-	-	-	18,290	18,290
Total comprehensive income for the year	-	-	-	-	18,290	18,290
Distributions to owners:						
Dividends	-	-	-	-	(13,528)	(13,528)
Total distributions to owners	-	-	-	-	(13,528)	(13,528)
Balance at 1 October 2017	57	-	-	-	34,961	35,018
Comprehensive income for the year:						
Profit for the year	-	-	-	-	36,846	36,846
Total comprehensive income for the year	-	-	-	-	36,846	36,846
Distributions to owners:						
Issue of share capital	3,256	-	-	-	(3,256)	-
Dividends	-	-	-	-	(30,791)	(30,791)
Other movement	-	-	-	350	-	350
Total distributions to owners	3,256	-	-	350	(34,047)	(30,441)
Balance at 30 September 2018	3,313	-	-	350	37,760	41,423

Notes 1 to 34 form part of these Financial Statements

NOTES TO THE FINANCIAL STATEMENTS

1. Basis of preparation and significant accounting policies

a) Basis of preparation

The Financial Statements have been prepared and approved by the Directors in accordance with Part 15 of the Companies Act 2006, Schedule 3 of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 and International Financial Reporting Standards (IFRSs) as adopted by the EU.

The Financial Statements have been prepared on the historical cost basis, except for the revaluation of certain financial instruments, which are stated at their fair value, have been prepared in pound sterling, which is the functional currency of the Company and are rounded to the nearest thousand.

The Financial Statements have been prepared on a going concern basis following an assessment by the Directors. The Company has a net asset position, strong solvency position, is currently profitable and, based on the latest forecasts, expects to remain profitable. As a result, the Board has reasonable expectation that the Company has adequate resources to continue in operational existence from at least 12 months from the date of approving these Financial Statements.

Basis of consolidation

The consolidated Financial Statements incorporate the Financial Statements of the Company and its subsidiaries. Where the Company has control over an investee, it is classified as a subsidiary. The Company controls an investee if all three of the following elements are present: power over the investee, exposure to variable returns from the investee, and the ability of the investor to use its power to affect those variable returns. Control is reassessed whenever facts and circumstances indicate that there may be a change in any of these elements of control.

Subsidiaries are fully consolidated from the date on which control is obtained by the Company and are deconsolidated from the date that control ceases. Acquisitions are accounted for under the acquisition method. Intercompany transactions, balances, income and expenses, and profits and losses are eliminated.

The Financial Statements of all of the wholly owned subsidiary companies are incorporated into the consolidated Financial Statements. Two of these subsidiaries, IntegraLife International Limited (ILInt) and IntegraLife UK Limited (ILUK) issue contracts with the legal form of insurance contracts, but which do not transfer significant insurance risk from the policyholder to the Company, and which are therefore accounted for as investment contracts. In accordance with IAS 39, the contracts concerned are therefore reflected in the consolidated statement of financial position as investments held for the benefit of policyholders, and a corresponding liability to policyholders.

b) Future standards, amendments to standards, and interpretations not early-adopted in the 2018 annual Financial Statements.

At the date of authorisation of these Financial Statements the following standards, amendments to standards, and interpretations, which are relevant to the Group, have been issued by the International Accounting Standards Board.

IFRS 9 'Financial Instruments'

IFRS 9 sets out requirements for recognising and measuring financial assets and financial liabilities, introduces a new expected loss model for recognising impairments and requires enhanced disclosures in the Financial Statements. This standard replaces IAS 39 Financial Instruments: Recognition and Measurement. The Group will adopt IFRS 9 on 1 October 2018.

(i) Reclassification and re-measurement

IFRS 9 contains a new classification and measurement approach for financial assets that reflects the business model in which the assets are managed and their cash flow characteristics.

Reclassification and re-measurement requirements have been assessed against the financial instruments of the Group and, whilst certain financial instruments will be reclassified in line with the new categories, no financial instruments are expected to require re-measurement.

The below table highlights the key financial instruments and their reclassifications:

Financial instrument	IAS 39 classification	IFRS 9 classification
Trade and other receivables	Loans and receivables	Amortised cost
Accrued fees	Loans and receivables	Amortised cost
Cash and cash equivalents	Loans and receivables	Amortised cost
Investments in quoted debt instruments	Fair value through profit and loss	Fair value through profit and loss
Listed shares and securities	Fair value through profit and loss	Fair value through profit and loss
Trade and other payables	Amortised cost	Amortised cost
Loans	Loans and receivables	Amortised cost

(ii) Impairment model

IFRS 9 replaces the incurred loss model in IAS 39 with an expected credit loss model. For assets in the scope of the IFRS 9 impairment model, impairment losses are generally expected to increase and become more volatile. Management has performed a preliminary assessment of the impact of the transition to an expected loss model and, assuming the makeup of balances as at 30 September 2019 is similar to the balances as at 30 September 2018, do not expect any material lifetime expected credit losses to be recognised.

IFRS 15 Revenue from Contracts with Customers

The standard provides a comprehensive new model for revenue recognition. The Group will be required to disclose information about its contracts with customers, disaggregating information about recognised revenue and information about its performance obligations at the end of the reporting period.

The Group will adopt IFRS 15 on 1 October 2018. An assessment of the impact of IFRS 15 has been conducted, covering annual commission, wrapper fee income, buy commission and dealing income. Consideration has been given to the following steps, as per the requirements of IFRS 15:

- Identify the contract with the customer;
- Identify the performance obligations in the contract;
- Determine the transaction price;
- Allocate the transaction price to the obligations in the contract;
- Recognise revenue when the entity has satisfied its performance obligations.

It is the view of management that the revenue recognition methods currently employed by the Group satisfy the requirements of IFRS 15. This is because the contract, performance obligations and transaction price for all revenue streams can be clearly identified in the Transact terms and conditions, and all revenue is currently recognised only after all performance obligations have been satisfied. No material impact is therefore expected on the Group on adoption of the standard.

IFRS 16 Leases

IFRS 16 brings most leases on-balance sheet for lessees under a single lessee accounting model, eliminating the distinction between operating and finance leases.

The Group will adopt IFRS 16 on 1 October 2019. The Group intends to use the cumulative catch-up method of transition, which uses the net effect of applying IFRS 16 on the first day of the first accounting period in which the new standard is applied. The net effect is recognised through an adjustment of retained earnings or other relevant parts of shareholder's equity.

An assessment of the impact of adopting the standard has been conducted, which indicates that on adoption the Group will recognise right of use assets of approximately £5.3m and lease liabilities of approximately £6.3m. This will lead to an immaterial reduction in retained earnings, which is the cumulative effect of recognising the asset and corresponding liability for each of the leases. This negative impact is caused by a change in the timings of expenses, as operating lease accounting requires straight line recognition of expenses, whereas under IFRS 16 the effective interest method is used. This means that the interest expense on the lease liability is higher at first and reduces year on year. The negative impact will therefore reverse over the lives of the leases.

IFRS 17 Insurance Contracts

IFRS 17 was issued in May 2017 and will replace IFRS 4 Insurance Contracts. IFRS 17 establishes the principles for the recognition, measurement, presentation and disclosure of insurance contracts within the scope of the Standard. The Group would be required to provide information that faithfully represents those contracts, such that users of the Financial Statements can assess the effect insurance contracts have on the entity's financial position, financial performance and cash flows. The standard is effective for accounting periods beginning on or after 1 January 2021, subject to EU endorsement.

The Group has performed a preliminary assessment regarding the impact of IFRS 17 on the Financial Statements and, due to all contracts written by the business being investment contracts, it is deemed such impact will be negligible.

c) Critical accounting estimates and judgements

Critical accounting estimates are those which involve the most complex or subjective judgements or assessments. The areas of the Group's business that typically require such estimates are the determination of the fair value for financial assets, impairment charges, deferred acquisition costs, deferred fee income and deferred taxes. Each of these is discussed in more detail in the relevant accounting policies and notes to the Financial Statements.

d) Principal accounting policies

Revenue recognition

Revenue represents the fair value of services supplied by the Group. The main revenue streams comprise: charges levied on the acquisition of assets, due when transactions complete; annual commission levied on the value of assets and cash held on the platform, due at the end of each month; and an annual wrapper charge levied on certain wrapper types, due at the end of each quarter. Charges are levied on Portfolios as stated in the Transact Terms and Conditions. Revenue is recognised as follows:

Fee income

Fees charged for administering investment contracts comprise fees taken both on inception and throughout the life of the contract. All fee income is recognised as revenue in line with the provision of the investment administration services.

Deferred acquisition costs and deferred income liabilities

Incremental costs directly attributable to securing investment contracts are deferred. These costs consist of fees paid to policyholder financial advisers. The costs are capitalised as deferred acquisition costs and are amortised as an expense over the Directors' best estimate of the life of the contract which is deemed to be sixteen years, as the services are provided. Equal service provision is assumed over the lifetime of the contract and, as such, the deferred costs are amortised on a linear basis over the expected life of the contract, adjusted for expected persistency.

A corresponding deferred income liability is recognised in respect of charges taken from customers of the Company at the contracts' inception to meet obligations to financial advisers. Deferred income liabilities are also amortised over the Director's best estimate of the life of the contract, which is again deemed to be sixteen years.

Investment income

Interest on cash and coupon on shareholder gilts are the two sources of investment income received. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that financial asset's carrying amount.

Investments

Fixed asset investments in subsidiaries are stated at cost less any provision for impairment.

Other investments comprise UK Government fixed interest securities backing insurance contracts or held as shareholder investments. All investments are classified as 'fair value through profit or loss at initial recognition' and are stated at quoted bid prices which equates to fair value, with any resultant gain or loss recognised in profit or loss. Purchases and sales of securities are recognised on the trade date.

Investment contracts – investments and cash held for the benefit of policyholders

Investment contracts are comprised of unit-linked contracts in ILInt and ILUK. Investment contracts result in financial liabilities whose fair value is dependent on the fair value of underlying financial assets. They are designated at inception as financial liabilities at 'fair value through profit or loss'.

Valuation techniques are used to establish the fair value at inception and each reporting date. The Company's main valuation techniques incorporate all factors that market participants would consider and are based on observable market data. The financial liability is measured both initially and subsequently at fair value. The fair value of a unit-linked financial liability is determined using the fair value of the financial assets contained within the funds linked to the financial liability.

Dividends

Equity dividends are recognised in the accounting period in which the dividends are declared and approved by shareholders.

Liquid resources

For the purposes of the statement of cash flows, liquid resources are defined as current asset investments and short term deposits.

Intangible non-current assets

Intangible non-current assets, excluding goodwill, are stated at cost less accumulated amortisation and comprise intellectual property software rights. Intellectual property rights are amortised over seven years on a straight line basis as it is considered that the code is replaced every seven years, and therefore has a finite useful life. Goodwill is held at cost and, in accordance with IFRS, is not amortised but is subject to annual impairment reviews.

Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes expenditures that are directly attributable to the acquisition of the asset. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost can be measured reliably. Repairs and maintenance costs are charged to the profit and loss and other comprehensive income statement during the period in which they are incurred.

The major categories of property, plant, equipment and motor vehicles are depreciated as follows:

Asset class	All UK entities	Australian entity
Short Leasehold Land and Buildings	Straight line over the life of the lease	Straight line over 40 years
Fixtures & Fittings	Straight line over 10 years	Reducing balance over 2 to 8 years
Equipment	Straight line over 3 to 5 years	Reducing balance over 3 to 10 years
Motor vehicles	N/A	Reducing balance over 2 to 8 years

Residual values, method of depreciation and useful lives of the assets are reviewed annually and adjusted if appropriate.

Impairment of non-financial assets

Property, plant and equipment and intangible assets are tested for impairment when events or changes in circumstances indicate that the carrying amount may not be recoverable. Recoverable amount is the higher of an asset's fair value less costs to sell and value in use (being the present value of the expected future cash flows of the relevant asset).

The Company evaluates impairment losses for potential reversals when events or circumstances warrant such consideration.

Goodwill is tested for impairment annually, and once an impairment is recognised this cannot be reversed. For more detailed information in relation to this, please see note 11.

Pensions

The Group makes defined contributions to the personal pension schemes of its employees. These are chargeable to profit or loss in the year in which they become payable.

Foreign currencies

Transactions in foreign currencies are translated into the functional currency at the exchange rate in effect at the date of the transaction. Foreign currency monetary assets and liabilities are translated to sterling at the year end closing rate. Non-monetary assets denominated in a foreign currency that are measured in terms of historical cost are translated using the exchange rate in effect at the date when the fair value was determined. Foreign exchange rate differences that arise are reported net in profit or loss as foreign exchange gains/losses.

The assets and liabilities of foreign operations are translated to sterling using the year end closing exchange rate. The revenues and expenses of foreign operations are translated to sterling at rates approximating the foreign exchange rates ruling at the relevant month of the transactions. Foreign exchange differences arising on retranslation are recognised directly in the reserves.

Taxation

The taxation charge is based on the taxable result for the year. The taxable result for the year is determined in accordance with enacted legislation and taxation authority practice for calculating the amount of corporation tax payable.

Deferred tax assets and liabilities are recognised where the carrying amount of an asset or liability in the statement of financial position differs from its tax base. Recognition of deferred tax assets is restricted to those instances where it is probable that taxable profit will be available against which the difference can be utilised.

The amount of the asset or liability is determined using tax rates that have been enacted or substantively enacted by the reporting date and are expected to apply when the deferred tax assets/liabilities are recovered/settled.

Segmental reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker is responsible for allocating resources and assessing performance of the operating segments and has been identified as the Chief Executive Officer of the Company.

For the year ended 30 September 2018, the business of ILUK and ILInt was the direct insurance of investment linked pensions business, written by single premium in the United Kingdom, single premium life assurance linked bonds and linked qualifying investment plans written in the United Kingdom. Insurance risk is minimal as all contracts have been classed as investment contracts.

ILInt and ILUK policyholder assets and liabilities

Investments held for the benefit of policyholders are stated at fair value and reported on a separate line in the statement of financial position. The assets are classified using the 'fair value through profit or loss' option with any resultant gain or loss recognised through the income statement. Investments held for the benefit of policyholders also includes cash and cash equivalents held within policyholders' portfolios of assets.

Investment inflows received from policyholders are invested in funds selected by the policyholders. The resulting liabilities for linked investment contracts are accounted for under the 'fair value through profit or loss' option, in line with the corresponding assets as permitted by IAS 39.

As all investments held for the benefit of policyholders are matched entirely by corresponding linked liabilities, any gain or loss on assets recognised through the income statement are offset entirely by the gains and losses on linked liabilities. The net impact on profit is therefore £nil.

Client assets and client monies

IFAL client assets and client monies are not recognised in the parent and consolidated statements of financial position (see Note 22) as they are owned by the clients of IFAL.

Operating lease agreements

Rental costs under operating leases are charged to the statement of profit or loss and other comprehensive income on a straight line basis over the term of the lease. Where an incentive to sign the lease has been taken, the incentive is spread on a straight line basis over the lease term. Details of the operating lease commitments are set out in Note 28.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances, call deposits, money market OEIC funds and other short-term deposits with an original maturity of three months or less. The carrying amount of these assets approximates to their fair value.

Financial instruments

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets are derecognised when the rights to receive cash flows from the assets have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership. Financial liabilities are derecognised when the obligation specified in the contract is discharged, cancelled or expires.

At initial recognition, the Company classifies its financial instruments in the following categories:

(i) Financial assets and liabilities at fair value through profit or loss

A financial asset or liability is classified in this category if acquired principally for the purpose of selling or repurchasing in the short-term.

Financial instruments in this category are recognised on the trade settlement date, and subsequently, at fair value. Purchases and sales of securities are recognised on the trade date. Transaction costs are expensed in the consolidated profit and loss and other comprehensive income statement. Gains and losses arising from changes in fair value are presented in the consolidated profit and loss and other comprehensive income statement within "administrative expenses" for corporate assets and "net income attributable to policyholder returns" for policyholder assets in the period in which they arise. Financial assets and liabilities at fair value through profit or loss are classified as current except for the portion expected to be realised or paid beyond twelve months of the balance sheet date, which are classified as long-term.

(ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. The Company's loans and receivables comprise accrued fees, trade and other receivables, loans and cash and cash equivalents. These are included in current assets due to their short-term nature, except for loans which are included in non-current assets. Loans and receivables are initially recognised at the amount expected to be received, less, when material, a discount to reduce the loans and receivables to fair value. Subsequently, loans and receivables are measured at amortised cost using the effective interest method less any provisions for impairment.

(iii) Financial liabilities at amortised cost

Financial liabilities at amortised cost comprise trade and other payables. These are initially recognised at the amount required to be paid, less, when material, a discount to reduce the payables to fair value. Subsequently, trade payables are measured at amortised cost using the effective interest method. They are classified as current liabilities due to their short-term nature.

Provisions for liabilities

Provisions are recognised when the Company has an obligation, legal or constructive, as a result of a past event, and it is probable that the Company will be required to settle that obligation. Provisions are estimated at the Directors' best estimate of the expenditure required to settle the obligation at the reporting date, and are discounted to present values where the effect is material.

Trade and other payables

Other payables are short-term, not interest-bearing and are stated at their amortised cost which is not materially different to cost and approximates to fair value.

Impairment of financial assets

At each reporting date, the Company assesses whether there is objective evidence that a financial asset (other than a financial asset classified as fair value through profit or loss) is impaired. A financial asset is only impaired if there is objective evidence of impairment as a result of one or more events that have occurred after the initial recognition of the asset (a "loss event") and that loss event (or events) has an impact on the estimated future cash flows of the receivable that can be reliably estimated.

The criteria used to determine objective evidence of an impairment loss include:

- (i) significant financial difficulty of the obligor;
- (ii) delinquencies in interest or principal payments; and
- (iii) it becomes probable that the borrower will enter bankruptcy or other financial reorganisation.

For equity securities, a significant or prolonged decline in the fair value of the security below its cost is also evidence that the assets are impaired.

If such evidence exists, the Company recognises an impairment loss, as follows:

- (i) Financial assets carried at amortised cost: The loss is the difference between the amortised cost of the loan or receivable and the present value of the estimated future cash flows, discounted using the instrument's original effective interest rate. The carrying amount of the asset is reduced by this amount and the amount of the loss is recognised in the profit or loss for the period.

Share-based payments

Equity-settled share-based payment awards granted to employees are measured at fair value at the date of grant. The awards are recognised as an expense, with a corresponding increase in equity, spread over the vesting period of the awards, which accords with the period for which related services are provided.

Shares issued under the scheme may not be sold until the earlier of three years after issue or cessation of employment by the Group. If the shares are held for five years they may be sold free of income tax or capital gains tax. There are no other vesting conditions.

2. Critical accounting estimates and judgements

In preparing these Financial Statements, management has made judgements, estimates and assumptions about the future that affect the application of the Group's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

Impairment of accrued fees pending

The Group has recognised an impairment of £32,493 (2017: £128,073) for accrued fees owed by customers. This comprises accrued fees that have not been received after three months, and also all fees due on portfolios that comprise only limited liquidity assets. Management believes, based on past experience, that these fees are unlikely to be received, and an impairment has therefore been recorded in the statement of profit or loss.

In addition to the above, an amount of £251,279 (2017: £192,103) relates to accrued fees that are past due but not impaired. Management believes that these fees are likely to be received, and an impairment is therefore not required.

3 . Financial instruments

(i) Principal financial instruments

The principal financial instruments, from which financial instrument risk arises, are as follows:

- Trade and other receivables
- Accrued fees
- Cash and cash equivalents
- Investments in quoted debt instruments
- Listed shares and securities
- Trade and other payables
- Loans

(ii) Financial instruments by category

As explained in Note 1, financial assets and liabilities have been classified into categories that determine their basis of measurement and, for items measured at fair value, whether changes in fair value are recognised in the profit and loss and other comprehensive income statement. The following tables show the carrying values of assets and liabilities for each of these categories.

FINANCIAL STATEMENTS continued

Financial assets:

	Fair value through profit or loss		Amortised cost	
	30 Sep 2018 £'000	30 Sep 2017 £'000	30 Sep 2018 £'000	30 Sep 2017 £'000
Cash and cash equivalents	-	-	116,849	105,829
Listed shares and securities	48	83	-	-
Loans and receivables	-	-	1,189	1,873
Investments in quoted debt instruments	6,171	8,812	-	-
Accrued income	-	-	8,857	7,951
Trade and other receivables	-	-	1,159	1,456
Investments and cash held for the policyholders	14,489,933	11,947,652	-	-
Total financial assets	14,496,152	11,956,547	128,414	117,109

Financial liabilities:

	Fair value through profit or loss		Amortised cost	
	2018 £'000	2017 £'000	2018 £'000	2017 £'000
Trade and other payables	-	-	3,157	5,572
Accruals	-	-	6,599	3,795
Liabilities for linked investments contracts	14,489,933	11,947,652	-	-
Total financial liabilities	14,489,933	11,947,652	9,756	9,367

(iii) Financial instruments not measured at fair value

Financial instruments not measured at fair value include cash and cash equivalents, accrued fees, loans, trade and other receivables, and trade and other payables. Due to their short-term nature and/or annual impairment review, the carrying value of these financial instruments approximates their fair value.

(iv) Financial instruments measured at fair value – fair value hierarchy

The table below classifies financial assets that are recognised on the statement of financial position at fair value in a hierarchy that is based on significance of the inputs used in making the measurements. The levels of hierarchy are disclosed on the next page.

Investments held for the benefit of policyholders are stated at fair value and reported on a separate line in the statement of financial position. The assets are classified using the 'fair value through profit or loss' option with any resultant gain or loss recognised through the income statement.

Assets held at fair value also comprises investments held in gilts, and these are held at fair value through profit and loss.

The following table shows the Group's assets measured at fair value and split into the three levels described below:

- Level 1: quoted prices (unadjusted) in active markets for identical assets;
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3: inputs for the asset that are not based on observable market data (unobservable inputs).

(v) Capital maintenance

The regulated companies in IntegraFin Group are subject to capital requirements imposed by the relevant regulators. As detailed in the CFOR, Group capital requirements for 2018 were £179.7 million (2017: £166.6 million *).

The Group has complied with the requirements set by the regulators during the year. The Group's policy for managing capital is to ensure each regulated entity maintains capital well above the minimum requirement.

(*includes ILInt estimate based on rules that came in to force in 2018 to enable comparison).

2018	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Investments and assets held for the benefit of policyholders				
Policyholder cash	1,115,223	-	-	1,115,223
Investments and securities	394,768	127,537	2,655	524,960
Bonds and other fixed-income securities	14,167	504	14	14,685
Holdings in collective investment schemes	12,684,265	141,279	9,521	12,835,065
	14,208,423	269,320	12,190	14,489,933
Other investments	6,219	-	-	6,219
Total	14,214,642	269,320	12,190	14,496,152

2017	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Investments and assets held for the benefit of policyholders				
Policyholder cash	1,091,744	-	-	1,091,744
Investments and securities	351,308	94,521	1,541	447,370
Bonds and other fixed-income securities	12,378	399	5	12,782
Holdings in collective investment schemes	10,260,975	132,113	2,668	10,395,756
	11,716,405	227,033	4,214	11,947,652
Other investments	8,895	-	-	8,895
Total	11,725,300	227,033	4,214	11,956,547

Level 1 valuation methodology

Financial assets included in Level 1 are measured at fair value using quoted mid prices that are available at the reporting date and are traded in active markets. These financial assets are mainly collective investment schemes and listed equity instruments.

Level 2 and Level 3 valuation methodology

The Group regularly reviews whether a market is active, based on available market data and the specific circumstances of each market. Where the Group assesses that a market is not active, then it applies one or more valuation methodologies to the specific financial asset. These valuation methodologies use quoted market prices where available, and may in certain circumstances require the Group to exercise judgement to determine fair value.

Financial assets included in Level 2 are measured at fair value using observable mid prices traded in markets that have been assessed as not active enough to be included in Level 1.

Otherwise, financial assets are included in Level 3. These are assets where one or more inputs to the valuation methodology are not based on observable market data. The key unobservable input is the pre-tax operating margin needed to price asset holdings.

Level 3 sensitivity to changes in unobservable measurements

For financial assets assessed as Level 3, based on its review of the prices used, the Company believes that any change to the unobservable inputs used to measure fair value would not result in a significantly higher or lower fair value measurement at year end, and therefore would not have a material impact on its reported results.

Changes to valuation methodology

There have been no changes in valuation methodology during the year under review.

Transfers between Levels

The Company's policy is to assess each financial asset it holds at the current financial year end, based on the last known price and market information, and assign it to a Level.

The Company recognises transfers between Levels of the fair value hierarchy at the end of the reporting period in which the changes have occurred. Changes occur due to the availability of (or lack thereof) quoted prices, whether a market is now active or not, and whether there are indications of impairment.

Transfers between Levels between 30 September 2018 and 30 September 2017 are presented in the table below at their valuation at 30 September 2018:

Transfers from	Transfers to	£'000
Level 1	Level 2	16,153
Level 2	Level 1	19,172

The reconciliation between opening and closing balances of Level 3 assets are presented in the table below:

	£'000
Opening balance	4,214
Unrealised gains or losses in the year ended 30 September 2018	(737)
Transfers in to Level 3 at 30 September 2018 valuation	8,644
Transfers out of Level 3 at 30 September 2018 valuation	(173)
Purchases, sales, issues and settlement	242
Closing balance	12,190

Any resultant gains or losses on financial assets held for the benefit of policyholders are offset by a reciprocal movement in the linked liability.

4. Risk and risk management

This note supplements the details provided in the Risk and Risk Management section of this report on pages 25 to 34.

Risk assessment

Risk assessment is the determination of quantitative values and/or qualitative judgements of risk related to a concrete situation and a recognised threat. Quantitative risk assessment requires calculations of two components of risk, the magnitude of the potential impact, and the likelihood that the risk materialises. There are also qualitative aspects that are more difficult to express quantitatively, but are still taken into account in order to fully evaluate the impact of the risk on the organisation.

(1) Market risk

Description of risk

Market risk is the risk of loss arising either directly or indirectly from fluctuations in the level and in the volatility of market prices of assets, liabilities and other financial instruments.

Market risk from reduced income

The Company's dividend income from its regulated subsidiary IFAL is exposed to market risk. IFAL's main source of income is derived from annual management fees and transaction fees which are linked to the value of the clients' portfolios.

A 1% change in market risk would have an immaterial impact on income.

IFAL mitigates the second order market risk by applying fixed per policy charges in addition to the charges determined based on clients' linked portfolio values, offering an element of diversification to its income stream.

Market risk from direct asset holdings

The Company has limited exposure to primary market risk as its capital is invested in high quality, highly liquid, short-dated investments.

(a) Interest rate risk

The Company's balance sheet and capital requirements are relatively insensitive to first order impacts from movements in interest rates.

(b) Currency risk

The Company is not directly exposed to significant currency risk.

(c) Inflation risk

The Company has exposure related to expense inflation risk, where actual inflation deviates from expectations. The Company has no exposures to defined benefit staff pension schemes or client related index linked liabilities.

Expense inflation risk is mitigated through monitoring of expenditure and closely managing expenses in line with the business plan.

(2) Credit (counterparty default) risk

Credit risk is the risk that the Company is exposed to a loss if another party fails to meet its financial obligations. For the Company, the exposure to counterparty default risk arises primarily from loans directly held by the Company.

Counterparty default risk exposure to loans

The Company has loans of £1,189k (2017: £1,873k).

Counterparty default risk exposure to Group companies

As well as inconvenience and operational issues arising from the failure of the other Group companies, there is also a risk of a loss of assets. The Company is due £52k (2017: £7k) from other Group companies.

Counterparty default risk exposure to other debtors

The Company has prepayments of £33k (2017: nil).

The Company has no other debtors arising, due to the nature of its business, and the structure of the Group.

Impact of credit risk on fair value

Due to the limited direct exposure that the Company has to credit risk, credit risk does not have a material impact on the fair value movement of financial instruments for the year under review. The fair value movements on these instruments are predominantly due to changes in market conditions.

(3) Liquidity risk

Liquidity risk is the risk that funds are not accessible such that the Company, although solvent, does not have sufficient liquid financial resources to meet obligations as they fall due, or can secure such resources only at excessive cost.

FINANCIAL STATEMENTS *continued*

As a holding company, the Company's main liquidity risk is related to paying out shareholder dividends and operating expenses it may incur. Additionally, the Company has made short term commitments, in the form of a capped facility arrangement, to Vertus Capital SPV1 Limited ("Vertus") (as one of Vertus' sources of funding) to assist Vertus in developing its business, which is to provide tailored niche debt facilities to adviser firms to fund acquisitions, management buy-outs and other similar transactions.

There are robust controls in place to mitigate liquidity risk, for example, through regular monitoring of expenditure, closely managing expenses in line with the business plan, and, in the case of the Vertus facility, capping the value of loans.

Maturity schedule

The following table shows an analysis of the financial assets and financial liabilities by remaining expected maturities as at 30 September 2017 and 30 September 2018.

Financial assets:

	Up to 3 months £'000	3-12 months £'000	1-5 years £'000	Over 5 years £'000	Total £'000
2017					
Investments and cash held for the policyholders	11,947,652	-	-	-	11,947,652
Investments	-	8,812	-	-	8,812
Accrued income	7,906	-	7	-	7,913
Trade and other receivables	1,557	20	-	-	1,577
Loans	-	-	1,040	833	1,873
Cash	105,829	-	-	-	105,829
Total	12,062,944	8,832	1,047	833	12,073,656
	Up to 3 months £'000	3-12 months £'000	1-5 years £'000	Over 5 years £'000	Total £'000
2018					
Investments and cash held for the policyholders	14,489,933	-	-	-	14,489,933
Investments	-	6,219	-	-	6,219
Accrued income	8,857	-	-	-	8,857
Trade and other receivables	1,462	50	7	-	1,519
Loans	-	-	1,189	-	1,189
Cash	116,849	-	-	-	116,849
Total	14,617,101	6,269	1,196	-	14,624,566

Financial liabilities:

	Up to 3 months £'000	3-12 months £'000	1-5 years £'000	Over 5 years £'000	Total £'000
2017					
Liabilities for linked investment contracts	11,947,652	-	-	-	11,947,652
Trade and other payables	6,837	2,530	-	-	9,367
Total	11,954,489	2,530	-	-	11,957,019
	Up to 3 months £'000	3-12 months £'000	1-5 years £'000	Over 5 years £'000	Total £'000
2018					
Liabilities for linked investment contracts	14,489,933	-	-	-	14,489,933
Trade and other payables	6,567	3,188	-	-	9,756
Total	14,496,500	3,188	-	-	14,499,689

Financial assets held in portfolio investments and the corresponding liabilities are deemed to have a maturity of up to three months since the liabilities are repayable on demand. In practice the contractual maturities of the underlying assets may be longer than three months, but the majority of assets held within portfolios are highly liquid.

(4) Outflow risk

Outflows occur when funds are withdrawn from the platform for any reason. Outflows typically occur where clients' circumstances and requirements change. However, these outflows can also be triggered by operational failure, competitor actions or external events such as regulatory or economic changes.

Outflow risk is mitigated by focussing on providing exceptionally high levels of service. Outflow rates are closely monitored and unexpected experience is investigated. Despite the current challenging and uncertain economic and geopolitical environment, outflow rates remain low and stable.

(5) Expense risk

Expense risk arises where costs increase faster than expected or from one-off expense "shocks". As a significant percentage of the Group's expenses are staff related the key inflationary risk arises from salary inflation.

The Group's expenses are governed at a high level by the Group's Expense Policy. The monthly management accounts are reviewed against projected future expenses by the Board and by senior management and action is taken where appropriate.

5. Segmental reporting

The revenue and profit before tax are attributable to activities carried out in the UK.

The Group has two classes of business as follows:

- provision of investment administrations services
- transaction of ordinary long-term insurance and underwriting life assurance.

FINANCIAL STATEMENTS continued

Analysis by class of business is given below:

	2018	2017
	£'000	£'000
Revenue		
Investment administration services	48,833	44,019
Insurance and life assurance business	42,361	36,223
	91,194	80,242
Profit before tax		
Investment administration services	18,700	17,224
Insurance and life assurance business	27,530	25,367
	46,230	42,591
Net assets		
Investment administration services	57,857	51,176
Insurance and life assurance business	47,086	51,350
	104,943	102,526

The figures above comprise the results of the companies that fall directly into each segment, as well as a proportion of the results from the other Group companies that only provide services to the revenue-generating companies. This therefore has no effect on revenue, but has an effect on the profit before tax and net assets figures.

Management has reviewed the classes of business and has determined that, as the provision of consultancy services does not generate revenue that is external to the Group, this should not be classified as a separate class of business. The profit before tax and net assets relating to this have therefore been included within the revenue-generating classes of business on a proportionate basis, for both the current year and the comparative period.

6. Earnings per share

	2018	2017
Profit		
Profit for the year and earnings used in basic and diluted earnings per share	£32.9m	£29.9m
Number of shares		
Number of shares used in basic and diluted earnings per share	331.3m	331.3m
Earnings per share		
Earnings per share – basic and diluted	9.9p	9.0p

On 2 March 2018, as part of the IntegraFin Holdings plc listing process, a bonus share issue occurred resulting in the number of shares in issue increasing from 1,137,278 to 331,322,014. The nominal value of each share was also reduced through the bonus share issue process, from £0.05 to £0.01. The calculation of earnings per share for the current and comparative period presented has been adjusted retrospectively to reflect the new share structure.

Earnings per share is calculated based on the share capital of IntegraFin Holdings plc and the earnings of the consolidated Group.

7. Expenses by nature

The following expenses are included within administrative expenses:

	2018	2017
	£'000	£'000
Group		
Depreciation	588	551
Amortisation	20	20
Wages and employee benefits expense	34,282	30,036
Other staff costs	704	484
Auditor's remuneration:		
- auditing of the Financial Statements of the Company pursuant to the legislation	49	25
- auditing of the Financial Statements of subsidiaries	84	81
- other assurance services	90	73
Other Auditor's remuneration:		
- auditing of the Financial Statements of subsidiaries	146	114
- other assurance services	141	115
Other professional fees	4,183	2,322
Regulatory fees	2,058	1,755
Impairment losses	32	128
Operating lease costs:		
- Land and buildings	2,044	2,090
- Equipment	9	8
Other occupancy costs	1,580	1,409
Other costs	3,673	3,626
Total administrative expenses	49,683	42,837
	2018	2017
	£'000	£'000
Company		
Wages and employee benefits expense	523	94
Other staff costs	141	5
Auditor's remuneration:		
- auditing of the Financial Statements of the Company pursuant to the legislation	49	25
- other assurance services	16	-
Other professional fees	2,298	720
Regulatory fees	19	-
Other costs	332	171
Total administrative expenses	3,377	1,015

FINANCIAL STATEMENTS *continued*

Wages and employee benefits expense

The average number of staff (including Executive Directors) employed by the Group during the financial year amounted to:

	2018	2017
	No.	No.
CEO	1	1
Client services	232	201
Finance	59	54
Legal and compliance staff	29	25
Sales, marketing and product development staff	41	37
Software development staff	92	84
Technical and support staff	53	49
	507	451

The Company has no employees (2017: nil).

Staff (including Executive Directors) costs during the year, included within administrative expenses, were as follows:

	2018	2017
	£'000	£'000
Wages and salaries	28,296	25,474
Social security costs	3,074	2,268
Other pension costs	2,562	2,294
Share-based payment	350	-
	34,282	30,036

Compensation of key management personnel

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

	2018	2017
	£'000	£'000
Short term employee benefits	2,130	1,645
Post employment benefits	41	37
Other benefits	48	39
	2,092	1,682
Highest paid Director:		
Short term employee benefits	584	505
Other benefits	48	-
Post employment benefits	11	8
Number of Directors for whom pension contributions are paid	2	3

8. Interest income

	Group 2018 £'000	Company 2018 £'000	Group 2017 £'000	Company 2017 £'000
Interest income on bank deposits	129	11	64	8
Interest income on loans	82	82	16	16
Interest income on financial assets at fair value through profit or loss	-	-	98	-
Other interest	-	-	-	-
	211	93	178	24

9. Tax on profit on ordinary activities

Group

a) Analysis of charge in year

The income tax expense comprises:

	2018 £'000	2017 £'000
Corporation Tax	8,173	7,234
Corporation Tax – (over)/under-provision in prior year	(33)	9
	8,140	7,243
Movement in deferred tax asset (Note 21)	6	(50)
Movement in deferred tax liability (Note 20)	-	(12)
Deferred tax charge/(credit)	6	(62)
Total	8,146	7,181

b) Factors affecting tax charge for the year

The tax on the Group's profit before tax differs from the amount that would arise using the weighted average tax rate applicable to profits of the consolidated entities as follows:

	2018 £'000	2017 £'000
Profit on ordinary activities before tax	46,230	42,591
Less: policyholder tax	(5,178)	(5,521)
Effect of gross overseas withholding tax	(133)	(109)
	40,919	36,961
Profit on ordinary activities multiplied by effective rate of Corporation Tax 19% (2017: 19.5%)	7,775	7,207
Deferred tax charge/(credit) (see Note 21)	6	(50)
Effects of:		
Non-taxable dividends	(106)	(91)
Income/expenses not taxable/deductible for tax purposes multiplied by effective rate of Corporation Tax	597	233
Profits not taxable, multiplied by effective rate of Corporation Tax 19% (2017: 19.5%)	(306)	(292)
Corporation Tax – under/(over) provision in the prior year	(75)	8
Overseas tax	133	109
Profits charged at different rates to UK Corporation Tax rate	122	57
	8,146	7,181

FINANCIAL STATEMENTS continued

Changes in tax rates

The main rate of UK Corporation Tax reduced from 20% to 19% with effect from 1 April 2017 and will reduce to 17% with effect from 1 April 2020. The reduction in Corporation Tax rates does not impact on the policyholder rate.

Company

a) Analysis of charge in year

	2018 £'000	2017 £'000
Deferred tax charge/(credit) (see Note 21)	-	-
Total	-	-

b) Factors affecting tax charge for the year

	2018 £'000	2017 £'000
Profit on ordinary activities before tax	36,846	18,290
Profit on ordinary activities multiplied by effective rate of Corporation Tax 19% (2017: 19.5%)	7,001	3,567
Effects of:		
Non-taxable dividends	(7,625)	(3,760)
Income/expenses not taxable/deductible for tax purposes multiplied by effective rate of Corporation Tax	468	167
Group loss relief to ISL	156	26
	-	-

10. Policyholder income and expenses - Group

	2018 £'000	2017 £'000
Net income attributable to policyholder returns	5,309	5,607
Policyholder tax charge	(5,178)	(5,521)

This relates to income and expenses, and the associated tax charges, on policyholder assets and liabilities. As any gains and losses on assets are offset entirely by the gains and losses on linked liabilities, the net impact on profit is £nil. The remaining difference relates to the overseas tax charge and the movement on policyholder deferred tax, which are included within the shareholder tax charge in the statement of profit or loss and other comprehensive income.

The comparative figures for 2017 for both net income attributable to policyholder returns and policyholder tax charge, have been restated to deduct £2,298k in order to correct the deferred tax provision included in both numbers. The net effect on profit for the financial year and net assets is zero.

11. Intangible assets - Group

	Software and IP rights	Goodwill	Total
Cost	£'000	£'000	£'000
At 1 October 2017	12,505	12,951	25,456
At 30 September 2018	12,505	12,951	25,456
Amortisation			
At 1 October 2017	12,470	-	12,470
Charge for the year	20	-	20
At 30 September 2018	12,490	-	12,490
Net Book Value			
At 30 September 2017	35	12,951	12,986
At 30 September 2018	15	12,951	12,966
Cost			
	£'000	£'000	£'000
At 1 October 2016	12,505	12,951	25,456
At 30 September 2017	12,505	12,951	25,456
Amortisation			
At 1 October 2016	12,450	-	12,450
Charge for the year	20	-	20
At 30 September 2017	12,470	-	12,470
Net Book Value			
At 30 September 2016	55	12,951	13,006
At 30 September 2017	35	12,951	12,986

Amortisation of intangibles is recognised within administrative expenses in the profit or loss account.

Goodwill impairment assessment

The Group is required to test, on an annual basis, whether goodwill has suffered any impairment. The recoverable amount is determined based on value in use calculations. The use of this method requires the estimation of future cash flows and the determination of a discount rate in order to calculate the present value of the cash flows.

The goodwill relates to the acquisition of IAD Pty in July 2016.

The carrying amount of goodwill is allocated to the two cash generating units that are benefitting from the acquisition as follows:

	2018	2017
	£'000	£'000
Investment administration services	7,314	7,450
Insurance and life assurance business	5,637	5,501
Total	12,951	12,951

Other assumptions are as follows:

	2018	2017
Discount rate	4.5%	4.4%
Period on which detailed forecasts are based	5 years	5 years

The recoverable amounts of the above cash generating units have been determined from value in use calculations based on cash flow projections from formally approved budgets covering a five year period to 30 September 2023. The results of this showed that no impairment has taken place throughout the historical financial period.

No sensitivity analysis has been performed on the basis that there were no reasonable foreseeable changes in the assumptions which would result in the recoverable amount falling below the carrying amount.

12. Property, plant and equipment – Group

	Short Leasehold Land and Buildings	Equipment	Fixtures and Fittings	Motor Vehicles	Total
Cost	£'000	£'000	£'000	£'000	£'000
At 1 October 2017	1,708	2,072	263	100	4,143
Additions	42	502	2	26	571
Disposals	-	(85)	(57)	-	(142)
Foreign exchange	(19)	(28)	-	(5)	(52)
At 30 September 2018	1,731	2,462	208	120	4,520
Depreciation					
At 1 October 2017	680	1,433	165	7	2,285
Charge in the year	164	379	22	23	588
Disposals	-	(85)	(57)	-	(142)
Foreign exchange	(2)	(20)	-	-	(23)
At 30 September 2018	841	1,707	130	29	2,707
Net Book Value					
At 30 September 2017	1,028	639	98	93	1,858
At 30 September 2018	889	755	77	91	1,813
Cost					
	£'000	£'000	£'000	£'000	£'000
At 1 October 2016	1,615	1,613	553	101	3,882
Reclassification	-	307	(307)	-	-
Additions	95	208	17	43	363
Disposals	-	(50)	-	(43)	(93)
Foreign exchange	(2)	(6)	-	(1)	(9)
At 30 September 2017	1,708	2,072	263	100	4,143
Depreciation					
At 1 October 2016	525	902	356	27	1,810
Reclassification	-	214	(214)	-	-
Charge in the year	155	356	23	17	551
Disposals	-	(35)	-	(37)	(72)
Foreign exchange	-	(4)	-	-	(4)
At 30 September 2017	680	1,433	165	7	2,285
Net Book Value					
At 30 September 2016	1,090	711	197	74	2,072
At 30 September 2017	1,028	639	98	93	1,858

The Company holds no property, plant and equipment.

FINANCIAL STATEMENTS continued

13. Investment in subsidiaries

	Total £'000
Company	
At 1 October 2017	14,213
Additions (note 30)	350
At 30 September 2018	14,563
Net Book Value	
At 30 September 2017	14,213
At 30 September 2018	14,563
Total £'000	
At 1 October 2016	14,213
At 30 September 2017	14,213
Depreciation	
Net Book Value	
At 30 September 2016	14,213
At 30 September 2017	14,213

Name of Company	Holding	% Held	Incorporation and significant place of business	Business
Direct holdings				
Integrated Financial Arrangements Ltd	Ordinary Shares	100%	United Kingdom	Investment Administration
IntegraFin Services Limited	Ordinary Shares	100%	United Kingdom	Services Company
Transact IP Limited	Ordinary Shares	100%	United Kingdom	Software provision & development
Integrated Application Development Pty Ltd	Ordinary Shares	100%	Australia	Software maintenance
Objective Asset Management Limited	Ordinary Shares	100%	United Kingdom	Dormant
Indirect holdings				
IntegraFin Limited	Ordinary Shares	100%	United Kingdom	Non-trading
Transact Nominees Limited	Ordinary Shares	100%	United Kingdom	Non-trading
IntegraLife UK Limited	Ordinary Shares	100%	United Kingdom	Life Insurance
IntegraLife International Limited	Ordinary Shares	100%	Isle of Man	Life Assurance
ObjectMastery (UK) Limited	Ordinary Shares	100%	United Kingdom	Consultancy
Objective Funds Limited	Ordinary Shares	100%	United Kingdom	Dormant
Objective Wealth Management Limited	Ordinary Shares	100%	United Kingdom	Dormant
IntegraFin (Australia) Pty Limited	Ordinary Shares	100%	Australia	Non-trading
Transact Trustees Limited	Ordinary Shares	100%	United Kingdom	Non-trading

The Group has 100% voting rights on shares held in each of the subsidiary undertakings.

All the UK subsidiaries have their registered office address at 29 Clement's Lane, London, EC4N 7AE. IntegraLife International Limited's registered office address is at 18-20 North Quay, Douglas, Isle of Man, IM1 4LE. IntegraFin (Australia) Pty's registered office address is at Level 4, 854 Glenferrie Road, Hawthorn, Victoria, Australia 3122. Integrated Application Development Pty Ltd's registered office address is 19-25 Camberwell Road, Melbourne, Australia.

The above subsidiaries have all been included in the consolidated Financial Statements. The results of IntegraLife International Limited and IntegraLife UK Limited are included as described in the basis of consolidation accounting policy in note 1.

Integrated Financial Arrangements Ltd is authorised and regulated by the Financial Conduct Authority. The principal activity of the Company and its subsidiaries is the provision of 'Transact', a wrap service that arranges and executes transactions between clients, their financial advisers and financial product providers including investment managers and stockbrokers.

IntegraFin Services Limited (ISL), is the Group services company. All intra-group service contracts are held by this services company.

Integrated Application Development Pty Ltd (IAD Pty) provides software maintenance services to the Group.

FINANCIAL STATEMENTS continued

IntegraFin Limited is the trustee of the IntegraSIP Share Incentive Plan, which was set up to allocate Class C Shares in the capital of the Company to staff. IntegraFin Limited undertakes no other activities.

Transact Nominees Limited holds customer assets as a nominee company on behalf of Integrated Financial Arrangements Ltd.

IntegraFin (Australia) Pty Limited is currently non-trading.

Transact IP Limited licenses its proprietary software to other members of the IntegraFin Group.

IntegraLife UK Limited is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. Its principal activity is the transaction of ordinary long-term insurance business within the United Kingdom.

IntegraLife International Limited is authorised and regulated by the Isle of Man Financial Services Authority and its principal activity is the transaction of ordinary long-term insurance business within the United Kingdom through the Transact Offshore Bond.

14. Deferred acquisition costs

	2018	2017
	£'000	£'000
Opening balance	38,295	31,792
Capitalisation of deferred acquisition costs	14,836	12,950
Amortisation of deferred acquisition costs	(7,058)	(6,447)
Change in deferred acquisition costs	7,778	6,503
Closing balance	46,073	38,295

15. Investments and cash held for the benefit of policyholders

	2018 Cost £'000	2018 Fair value £'000	2017 Cost £'000	2017 Fair value £'000
ILInt				
Cash and cash equivalents held for the benefit of the policyholder	83,494	83,494	74,565	74,565
Investments held for the benefit of the policyholder	1,124,244	1,324,860	985,912	1,175,098
	1,207,738	1,408,354	1,060,477	1,249,663
ILUK				
Cash and cash equivalents held for the benefit of the policyholder	1,029,957	1,029,957	1,014,314	1,014,314
Investments held for the benefit of the policyholder	10,249,290	12,051,622	8,049,078	9,683,675
	11,279,247	13,081,579	9,063,392	10,697,989
Total		14,489,933		11,947,652

All amounts are current as customers are able to make same-day withdrawal of available funds and transfers to third-party providers are generally performed within a month. The 2017 comparatives were reclassified on the Statement of Financial Position from non-current assets to current assets to better reflect the nature of the assets.

These assets are held to cover the liabilities for unit linked investment contracts. All contracts with customers are deemed to be investment contracts and, accordingly, assets are 100% matched to corresponding liabilities.

16. Financial assets at fair value through profit or loss

	Group 30 Sep 2018 £'000	Group 30 Sep 2017 £'000
Listed shares and securities	48	83
Gilts	6,171	8,812
	6,219	8,895

Investments are all UK and sterling based and held at fair value.

17. Other prepayments and accrued income

	Group 30 Sep 2018 £'000	Company 30 Sep 2018 £'000	Group 30 Sep 2017 £'000	Company 30 Sep 2017 £'000
Accrued income	8,857	-	7,951	-
Prepayments	2,614	33	2,251	-
	11,471	33	10,202	-

FINANCIAL STATEMENTS continued

18. Trade and other receivables

	Group Sep 2018 £'000	Company Sep 2018 £'000	Group Sep 2017 £'000	Company Sep 2017 £'000
Amounts owed by Group undertakings	-	52	-	7
Interest receivable	-	-	5	-
Other receivables	4,058	-	1,451	-
	4,058	52	1,456	7

19. Trade and other payables

	Group Sep 2018 £'000	Company Sep 2018 £'000	Group Sep 2017 £'000	Company Sep 2017 £'000
Trade payables	129	6	265	-
PAYE and other taxation	1,301	44	1,229	31
Amounts due to Group undertakings	-	367	-	11
Other payables	6,712	50	7,259	21
Accruals and deferred income	6,622	256	6,455	1,093
	14,764	723	15,208	1,156

20. Deferred income liability

	2018 £'000	2017 £'000
Opening balance	38,295	31,792
Capitalisation of deferred income	14,836	12,950
Amortisation of deferred income	(7,058)	(6,447)
Change in deferred acquisition costs	7,778	6,053
Closing balance	46,073	38,295

21. Deferred tax

Deferred tax is calculated in full on temporary differences under the liability method using a tax rate of 19% (2017: 19%).

	2018	2017
	£'000	£'000
Liabilities - Group		
Balance brought forward	10,781	8,495
Release in year at 19% (2017: 19%) future corporation tax rate in respect of:		
- Accelerated depreciation	-	(12)
Deferred tax (credit)/charge	-	(12)
Movement in policyholder tax	1,789	2,298
Balance carried forward	12,570	10,781
Analysed as:		
- Policyholder deferred tax	12,570	10,781
	12,570	10,781

The Company has no deferred tax liabilities.

	2018	2017
	£'000	£'000
Assets - Group		
Balance brought forward	50	-
Release in year at 19% (2017: 19%) future corporation tax rate in respect of:		
Accelerated depreciation	(6)	50
Balance carried forward	44	50

22. Client monies and client assets

2018	£'000		£'000
Client monies	2,356,438	Amounts due to clients	2,356,438
Client assets	30,756,997	Corresponding liability	30,759,997
2017	£'000		£'000
Client monies	2,297,792	Amounts due to clients	2,297,792
Client assets	25,629,954	Corresponding liability	25,629,954

The above client monies are held separately in client bank accounts which are excluded from the Company's net current assets. In addition, as the above client assets are held on behalf of Integrated Financial Arrangements Ltd by Transact Nominees Limited, the holdings are also excluded from the Company's net current assets.

23. Provisions for liabilities

	Group 30 Sep 2018 £'000	Group 30 Sep 2017 £'000
Balance brought forward	11,831	15,550
Increase in dilapidation provisions	52	44
Increase in ILInt non-linked unit provision	7	4
Increase/(decrease) in ILUK tax provision	7,150	(3,767)
Other provisions	98	-
Balance carried forward	19,137	11,831
Dilapidation provisions	374	323
ILInt non-linked unit provision	36	29
ILUK tax provision	18,527	11,377
Rent provision	102	102
Other provisions	98	-
	19,137	11,831

The dilapidation provisions relate to the former leasehold premises at 5-7 Singer Street, the current leasehold premises at 29 Clement's Lane, and the current ILInt leasehold premises at 18/20 North Quay, on the Isle of Man. The Group is committed to restoring the premises to their original state at the end of the lease term. Whilst it is probable that payments will be required for dilapidations, uncertainty exists with regard to the amount and timing of these payments, and the amounts provided represent Management's best estimate of the Group's liability.

The rent provision relates to potential litigation regarding disputed rent. There is potential for a claim to be made against the Group until March 2019, though uncertainty exists as to the timing of any potential claim and whether the claim will be successful.

ILUK tax provision comprises claims received from HMRC that are yet to be returned to policyholders, charges taken from unit-linked funds and claims received from HMRC to meet current and future policyholder tax obligations.

24. Called up share capital – Company and Group

	2018 Number	2017 Number	2018 £'000	2017 £'000
Allotted, called up and fully paid				
Ordinary shares of £0.01 each	331,322,014	-	3,313	-
Ordinary Class A shares of £0.05 each	-	417,868	-	21
Ordinary Class B shares of £0.05 each	-	357,000	-	18
Ordinary Class C shares of £0.05 each	-	332,410	-	17
Ordinary Class D shares of £0.05 each	-	30,000	-	1

Immediately prior to admission to the London Stock Exchange, the share capital of the Company was increased from £56,863.90 to £3,313,220.14 by virtue of a bonus issue of a further: 122,017,456 A Ordinary Shares of £0.01 each; 102,244,000 B Ordinary Shares of £0.01 each; 97,063,720 C Ordinary Shares of £0.01 each; and 6,859,560 D Ordinary Shares of £0.01 each.

Immediately prior to admission each A, B, C and D share was then re-designated an Ordinary Share of £0.01 each.

All Ordinary Shares have full voting and dividend rights.

25. Capital redemption reserve – Group

	2018 £'000	2017 £'000
Balance brought forward	2	2
Purchase of own shares	-	-
Balance carried forward	2	2

On 12 December 2013 IFAL was granted authority by shareholders to repurchase £4,500,000 worth of ordinary shares from shareholders. IFAL purchased 45,917 shares, and they were then cancelled, giving rise to a capital redemption reserve of £2,271.

26. Share-based payment reserve

	Group 2018 £'000	Company 2018 £'000	Group 2017 £'000	Company 2017 £'000
Balance brought forward	308	-	308	-
Movement in the year (Note 30)	350	350	-	-
Transfer to profit and loss reserve (Note 31)	(128)	-	-	-
Balance carried forward	530	350	308	-

27. Foreign exchange reserve – Group

	2018 £'000	2017 £'000
Balance brought forward	42	32
Movement in the year	(66)	10
Balance carried forward	(24)	42

FINANCIAL STATEMENTS continued

28. Non-distributable reserves – Group

	2018	2017
	£'000	£'000
Balance brought forward	5,722	5,722
Premium on shares issued during the year	-	-
Balance carried forward	5,722	5,722

The share premium account per the Audited Annual Financial Statements for the year ended 30 September 2017 has been reclassified as other non-distributable reserves. The share premium is held by one of the Company's subsidiaries, Integrated Financial Arrangements Limited, so it is more appropriate to classify this within other reserves on a Group level.

29. Operating lease commitments

The total future minimum lease payments of operating leases are due as follows:

	Land and Buildings	Land and Buildings
	2018	2017
Group	£'000	£'000
Within 1 year	2,704	2,398
Within 2-5 years	9,555	9,304
Over 5 years	-	1,396

The lease commitments relate to the current leasehold premises at 29 Clement's Lane, the current ILInt leasehold premises at 18/20 North Quay on the Isle of Man, and the current IAD Pty leasehold premises at 19-25 Camberwell Road, Melbourne, Australia.

30. Related parties

During the year the Company did not render nor receive any services with related parties within the Group, and at the year end the Company had the following intra-Group receivables:

	Amounts owed by/(to)	
	related parties	
	2018	2017
Company	£'000	£'000
Integrated Financial Arrangements Ltd	53	6
IntegraFin Services Limited	(358)	-
IntegraFin Limited	(9)	(11)
IntegraLife UK Limited	1	1

The Group has not made any allowance for bad or doubtful debts in respect of related party debtors nor has any guarantee been given or received during 2018 or 2017 regarding related party transactions.

Payments to key management personnel, defined as members of the Board, are shown in the Remuneration Report. Directors of the Company received a total of £7.3m in dividends during the year. At the end of the year key management personnel held 16,319,523 IHP shares.

All of the above transactions are commercial, arm's length transactions undertaken in the normal course of business.

31. Share incentive plan (SIP)

The Company introduced a SIP trust scheme for its staff in October 2005. The SIP is an approved scheme under Schedule 2 of the Income Tax (Earnings & Pensions) Act 2003.

This scheme entitled all who were employed in October 2005 to Class C shares in the Company, subject to their remaining in employment with the Company until certain future dates.

The trustee for this scheme is IntegraFin Limited, a wholly owned non-trading subsidiary of Integrated Financial Arrangements Ltd.

The cost to the Company in the financial year to 30 September 2018 was £nil (2017: £nil).

It was announced in the IHP Prospectus that the Company would make an annual share award to staff.

The new SIP is an approved scheme under Schedule 2 of the Income Tax (Earnings & Pensions) Act 2003, and entitles all eligible employees to ordinary shares in the Company. The shares will be held in a UK Trust.

The share awards will be made by the Company dependent on 12 months continuous service at 30 September 2018. The cost of the SIP is recorded in each of the Group subsidiaries that employs staff. The cost to the Group in the financial year to 30 September 2018 was £350k (2017: £nil). This reflects seven months of a full year's benefit, as costs have been incurred from March 2018 onwards.

32. Share-based payments

The reduction in reserves of £128k is due to former members of staff leaving the scheme. There are no share options outstanding. All options have been exercised, and there have been no new share options granted.

33. Events after the reporting date

There are no events subsequent to the year end that require disclosure in, or amendment to, the Financial Statements.

34. Dividends

During the year to 30 September 2018 the Company paid an interim dividend of £19,418,436 (2017: £13,527,336) and a special dividend of £11,372,780 (2017: nil) to shareholders. The Company received dividends from subsidiaries of £40,130,000 (2017:£19,281,174).

OTHER INFORMATION

DIRECTORS, COMPANY DETAILS, ADVISERS

Executive Directors

Ian Taylor

Michael Howard

Alexander Scott

Judith Davidson (resigned 1 October 2017)

Non-Executive Directors

Christopher Munro

Patrick Snowball (appointed 1 October 2017
and resigned 22 August 2018)

Jeremy Brettell (resigned 1 October 2017)

Neil Holden

Stuart Bazley (resigned 1 October 2017)

Caroline Banzky (appointed 22 August 2018)

Victoria Cochrane (appointed 28 September 2018)

Company Secretary

David Johnson

Independent Auditors

BDO LLP

55 Baker Street

London

W1V 7EU

Solicitors

Eversheds Sutherland

One Wood Street

London

EC2V 7WS

Corporate Advisers

Peel Hunt LLP

Moor House

120 London Wall

London

EC2Y 5ET

Principal Bankers

NatWest Bank Plc

135 Bishopsgate

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Russell Way

Crawley

RH10 1UH

Registered Office

29 Clement's Lane

London

EC4N 7AE

Investor Relations

Mark Mochalski 020 7608 4900

Website

www.integrafin.co.uk

Company number

08860879

GLOSSARY OF TERMS

AGM	Annual General Meeting	ISA	Individual Savings Account
CASS	Client Assets Sourcebook	ISAs (UK)	International Standards on Auditing (UK)
CEO	Chief Executive Officer	IT	Investment Trust
CFO	Chief Financial Officer	MiFID II	Second Markets in Financial Instruments Directive
COO	Chief Operating Officer	NED	Non-Executive Director
COREP	Common Reporting, as required by the Capital Requirements Directive IV	Net inflow	Net new business onto the platform
COSO	Committee of Sponsoring Organisation of the Treadway Commission	OEIC	Open Ended Investment Company
ED	Executive Director	ORSA	Own Risk and Solvency Assessment
ETF	Exchange-traded Fund	Outflow	Business leaving the platform
FCA	Financial Conduct Authority	SCR	Solvency Capital Requirement
FRC	Financial Reporting Council	TCF	Treating Customers Fairly
FUD	Funds Under Direction	The Company	IntegraFin Holdings plc
GDPR	General Data Protection Regulation	The Group	IntegraFin Holdings plc and its subsidiaries
GIA	General Investment Account	VCT	Venture Capital Trust
HMRC	Her Majesty's Revenue and Customs		
IAD	Integrated Application Development Pty Ltd		
ICA	Individual Capital Assessment		
ICAAP	Internal Capital Adequacy Assessment Process		
IFAL	Integrated Financial Arrangements Ltd		
IFRS	International Financial Reporting Standards		
ILInt	IntegraLife International Limited		
ILUK	IntegraLife UK Limited		
Inflow	Gross new business onto the platform		
IntegraFin	IntegraFin Holdings plc		
IP	Intellectual Property		



M137 September 2018

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(Registered office: as above; Registered in England and Wales under number: 08860879)
The holding company of the Integrated Financial Arrangements Ltd group of companies.