IG Trading and Investments Limited

Annual Report and Financial Statements

Year ended 31 May 2025

Directors and advisors:

Directors

C Abrahams
M Flament
B Corcoran
R Bhasin
A Didham
S Hibberd
R McTighe
J Moulds
S Skerritt
H Stevenson
G Wu

Company Secretary

A Gibbs

Independent Auditors

PricewaterhouseCoopers LLP
7 More London Riverside
London SE1 2RT

Solicitors

Linklaters LLP
One Silk Street
London EC2Y 8HQ

Registered Office

Cannon Bridge House
25 Dowgate Hill
London EC4R 2YA

Registered number

11628764

Strategic Report

Description of the business

IG Trading and Investments Limited ("the Company") is a wholly owned subsidiary of Market Data Limited and the ultimate parent company is IG Group Holdings plc. References to "the Group" are to IG Group Holdings plc together with all its subsidiary undertakings.

During the year, the Company offered stock trading and investment products to its clients.

The Company is regulated by the Financial Conduct Authority ("FCA") and is subject to the Investment Firm Prudential Regime ("IFPR") and complies with the overall capital and liquidity requirements set out under the requirements of the prudential sourcebook for MiFID Investment Firms ("MiFIDPRU").

The Company's trading revenue represents:

i) Fees and commission earned from stock trading;
ii) Income derived from foreign exchange conversion fees; and
iii) Management fees on its investment business, which are earned as a percentage of assets under management.

The Company's main costs are:

- *Royalty expense*: fees paid to another Group company for use of technology;
- *Advertising and marketing costs*: costs incurred in relation to client acquisition;
- *Trading-related costs*: costs incurred in trade execution and custodial services; and
- *Employee expenses*: relates to employee costs that are recharged from other Group companies.

Performance of the business during the year ended 31 May 2025 ("FY25")

The Company had revenue in FY25 of £27,220,000 (FY24: £20,432,000). Operating costs in FY25 were £21,468,000 (FY24: £16,547,000), and profit before tax for FY25 was £23,969,000 (FY24: £20,705,000).

The Company recognised a profit after tax for the financial year of £21,931,000 (FY24: £20,674,000). Total equity decreased from £41,352,000 as at 31 May 2024 to £34,183,000 as at 31 May 2025, reflecting the dividend paid of £29,100,000 (FY24: nil) in FY25 offset by profits for the financial year.

Regulatory capital requirements have been met throughout the financial years ended 31 May 2025 and 31 May 2024.

The Directors of the Group manage the Group's operations on a geographical and portfolio basis. The Company's Directors believe that further analysis using key performance indicators for the Company is not necessary or appropriate for an understanding of the development, financial performance, or financial position of the Company. The key performance indicators of the Group, which includes the Company, are set out in the Group Annual Report.

Engaging with our stakeholders

Section 172(1) statement

Under the Companies Act 2006 ("CA2006"), the Directors must act in a way that they consider, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole. In doing this, the Directors must take into account, among other factors:

a. The likely consequences of any decision in the long term
b. The interests of the Company's employees
c. The need to foster business relationships with suppliers, customers and others
d. The impact of operations on the community and the environment
e. The desirability of the Company maintaining a reputation for high standards of business conduct
f. The need to act fairly between members of the Company.

Strategic Report

Our key stakeholders

The Directors have identified certain key stakeholders who are essential to the success of the Company. These are outlined in the section below on stakeholder engagement. The Board will sometimes engage directly with certain stakeholders on specific issues. This stakeholder engagement often takes place at an operational level, ensuring that key stakeholders are considered when discussing and making decisions. These decisions include strategic matters, financial and operational performance, risk management, and legal and regulatory compliance. Information in relation to these areas is provided to the Board through reports sent in advance of each Board meeting, and through presentations to the Board.

Long-term decision making

The Group's strategy which is adopted by the Company is to sustainably generate and preserve value for stakeholders and wider society over the long term by facilitating a wider range of trading and investment opportunities for ambitious people around the world. This long-term view drives the annual review of strategy undertaken by the Board and the setting of objectives for employees working within the Company. The Board's risk management procedures identify the potential consequences of decisions being made in the short, medium and long term so that appropriate levels of identification, mitigation, reduction or elimination of risk can be considered and taken in the best interests of the Company and stakeholders.

Methods used by the Board to fulfil its Section 172(1) duties

The Board sets the Company's purpose, values, and strategy, and carefully ensures that it is aligned appropriately with stakeholder interests, whilst also taking the Company's culture into consideration.

Consideration of key stakeholders is an integral part of all decision-making by the Board and every paper presented to the Board clearly sets out the impact on any stakeholders for whom it is relevant. This analysis assists the Directors in performing their duties under Section 172(1) of CA2006. Directors receive specific training including tailored induction processes for new Directors together with an ongoing programme of training on strategic, legal and regulatory developments relevant to the Company's activities. The Directors are able to comply with their legal duties under Section 172 of CA2006.

Board decision-making and stakeholder considerations

The Company is fully committed to effectively engaging with all key stakeholders. Below are some examples of how the Directors have taken into account the matters set out in Section 172(1)(a)-(f) of CA2006, when discharging their duties, and how this has affected certain principal decisions taken by them. We define 'principal decisions' as those that are material to the Company and are significant to any one or more of our key stakeholder groups.

In making the following principal decision, the Board considered the outcome from our stakeholder engagement, as well as the need to maintain a reputation for high standards of business conduct and the need to act fairly between the Company's stakeholders.

Principal decision: Executing elements of the Group's financial plan that relate to the UK business

During the year, the Group's Board approved a four-year financial plan. The Company's Board adopted elements of the plan that relate to the Group's UK business. In agreeing the plan, the Board considered the potential impact that each relevant element might have on its key stakeholders. In particular, the Board took into account:

- Our relationship with and the views of the regulator through which the Company holds a regulatory licence to conduct its business. We referred to the latest applicable legislation and regulations, held ongoing dialogue with the regulator and ensured that the business initiatives in the updated plan were in line with the Company's regulatory risk appetite;
- The interests of employees. We considered the investments in our employee health and wellness programmes, considerations around our diversity and inclusion policies, as well as investments in the workplace facilities, software and equipment;
- The needs of clients, through our decision to enhance IT infrastructure to ensure that our systems are resilient and better able to support our clients' demands. We considered the number of clients, the demand to access our services during periods of increased client activity, and the requests we've received to provide more advanced features on our desktop and mobile platforms for clients who use sophisticated trading strategies;
- Our existing relationships with suppliers, in particular related to our IT infrastructure, as a result of the changing needs of the Company and its stakeholders. These changes were driven by the expectations of regulators, the needs of employees and the demand from clients, as well as shareholders' interests in our decisions on overseeing costs and the nature and focus of future investments; and
- The views and interests of the shareholder, by ensuring that our updated plan supported the sustainable growth of the business, along with the delivery of our strategy and shareholder value.

Stakeholder engagement

Clients

Why we engage with our clients

The Company exists to power the pursuit of financial freedom for the ambitious. Our clients have high expectations of us. If we fail to meet those, our clients will go elsewhere. There are many companies operating in our industry, and we need to engage with our clients to ensure that we continue to stay ahead of the competition.

Our clients use our trading platforms for hours every day, and that makes them the most valuable source of feedback for us – helping us to provide the best experience we can.

Strategic Report

Stakeholder engagement (continued)

Clients (continued)

How we engage with our clients

We engage with our clients through our multilingual, highly trained customer support teams available 6.5 days a week, 365 days a year. Our goal is to offer best-in-class customer service to all our clients and provide various channels for them to contact us. Our platform provides a range of tools and features to help clients, including educational resources, breaking financial news and live analysis of the markets. These are available for all clients to use in the way that best suits them. We conduct regular research to obtain our clients' feedback on our products and services. This helps us to manage their expectations, shape our prioritisation roadmaps and improve our programmes.

What matters most to our clients

Reliability of technology: we strive to provide a stable, secure and reliable platform, so that trade execution is seamless, and our clients benefit from market opportunities.

Education: we offer a range of educational tools and materials, alongside demo accounts where clients can learn about our share trading products in a risk-free environment. We also offer a range of risk management solutions that our clients value as part of their educational journey.

Support service: to ensure that our clients are able to trade 'around the clock,' we provide 24-hour trading coverage which is unique in the market and a key feature of our proposition. Clients also expect us to be there when they need assistance, have an issue, or simply want to ask a question. Access to highly trained customer service team is important for clients who rely on our expertise.

People

Why we engage with our people

Whilst the Company does not directly employ any staff, it is recharged costs from other Group companies for the services they provide. Nurturing a team of talented and dedicated people is central to our strategy, enabling us to deliver the exceptional products and services that keep us at the forefront of our industry.

How we engage with our people

We have a variety of means to engage with our people. These include surveys, the ability to collect feedback and comments at any time using our employee communication portal, and town halls and small group meetings that allow our senior managers to meet and understand our people's views. Our employee network groups also offer an important channel to better understand the experience of our employees who are currently underrepresented.

What matters most to our people

It's vital that our people are kept informed about our business strategy and changes to the industry. They want and deserve the chance to be involved in planning changes that will impact them and their teams and also expect the organisation to provide opportunities for development.

Regulators

Why we engage with our regulators

Regulations affect how the Company markets and provides services to clients. It is essential that the Company engages with its regulators to ensure they understand our products and business model, so we can remain active in multiple regions and keep growing into new markets.

By maintaining relationships with its key regulators and engaging on both a local and global scale, we position ourselves to be well-informed about impending developments in the regulatory environment.

How we engage with our regulators

The Company maintains constructive relationships with its regulators, communicating in an open and transparent manner, and ensuring that its actions are consistent with regulatory expectations.

We work with regulators in multiple ways – from proactive engagement on new business proposals to assisting in their investigations and regulatory requests.

The Company maintains an open and constructive dialogue with local regulators, to facilitate strong relationships and understand the expectations that are critical to the Company.

What matters most to our regulators

Regulators focus on ensuring firms safeguard their clients' best interests and ensuring that all clients are treated fairly. They also take an interest in capital and liquidity issues. Regulators value firms that respect and follow both the letter and the spirit of the regulations and guidelines they set out.

Strategic Report

Stakeholder engagement (continued)

Communities

Why we engage with communities

Sustainability and social awareness are firmly embedded into our purpose and values and are integral components of the Company's culture. Community engagement is vital to our ability to deliver long-term returns for our stakeholders. These factors mean that we carefully consider our impact on the communities in which we operate and on the environment.

How we engage with communities

The Group has an extensive Community Programme which the Company participates in. We pledged 1% of the Group's profits to charity and use this money to make grants to charities around the globe through our Brighter Future Fund and the Company bears some of the cost of this pledge. Every employee of the Company is entitled to two days of volunteering leave per year and are encouraged to participate in charity fundraising events with a matched giving scheme.

What matters most to our communities

Community impact: our communities value sustained and long-term support. This is achieved through a combination of continual dialogue, financial donations and meaningful employee engagement. We also aim to prioritise multi-year charitable partnerships with unrestricted donations. To date, through the Brighter Future Fund and other related initiatives, the Group has committed over ten million pounds to community programmes, and some of these costs are borne by the Company. It also matters to our communities that we're conscious of our impact on the environment.

Suppliers

Why we engage with suppliers

The Company engages with suppliers to develop mutually beneficial and lasting partnerships. Suppliers play an important role in the quality of the service the Company provides, supporting the Company to meet the high expectations of its sophisticated client base.

Working in collaboration with our suppliers is also crucial to the success of our environmental, social and governance ("ESG") strategy.

How we engage with suppliers

The Company frequently engages with its supplier base to ensure that all parties are getting the desired value from the relationship. Typically, we do this through a series of engagements, ranging from informal conversations for exchanging information and discussing priorities to formal interactions.

What matters most to our suppliers

The Company has found that our suppliers value clarity on our expectations of the relationship and the services they provide, along with timely and reliable payment. The Company's suppliers also appreciate fair, open and honest two-way communication and value the feedback the Company can give them.

Regulation

The Company's primary regulator is the FCA, and the Company is primarily regulated under IFPR, which has an impact on its liquidity and capital requirements, as well as the regulatory reporting and disclosures, remuneration, supervision, and governance of the Company.

Principal risks and uncertainties

The principal risks facing the Company are outlined below:

- *Regulatory environment risk*: The risk that the Company faces enhanced regulatory scrutiny with a higher chance of regulatory action, or the risk that the regulatory environment in the jurisdiction in which the Company currently operates, or may wish to operate, changes in a way that has an adverse effect on the Company's business or operations, through reduction in revenue, increases in costs, or increases in capital and liquidity requirements;

- *Commercial risk*: The risk that the Company's performance is affected by adverse market conditions, failure to adopt an effective business strategy or competitors offering more attractive products or services;

- *Conduct and operational risk*: The risk that the Company's conduct poses to the achievement of fair outcomes for consumers or the financial markets. The risk of loss resulting from inadequate or failed internal processes, people, systems, or external events. This also includes the risk of loss resulting from the failed processes, people, and systems of the group companies that the Company relies on in executing its operations.

Strategic Report

Principal risks and uncertainties (continued)

The Company operates as a business within the Group and the principal risks faced by the Company are broadly in line with the risks faced by the Group. The Directors of the Group manage the risks faced by Group companies on a Group wide basis. Further details on the Group's approach to risk management, including the definitions of the principal risks faced at the Group level, which include the principal risks faced by the Company are set out in page 42-46 of the Group Annual Report.

Future Developments

There are no future developments.

On behalf of the Board

Signed by:

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C Abrahams
Director
30 July 2025

Directors' Report

The Directors present their Report together with the audited Financial Statements of the Company for the year ended 31 May 2025.

Directors

The Directors of the Company who held office during the year and up to the date of signing the Financial Statements were as follows:

C Abrahams (Appointed 16 December 2024)
M Flament (Appointed 4 July 2024)
M Le May (Resigned 18 September 2024)
C Rozes (Resigned 31 July 2024)
B Corcoran
R Bhasin
A Didham
S Hibberd
R McTighe
J Moulds
S Skerritt
H Stevenson
G Wu

Appropriate liability insurance was in place for all Directors of the Company throughout the year and up to the date of signing this report. This cost was borne by another Group company.

The Directors of the Company held shares in the ultimate parent Company as disclosed in the Group Annual Report.

Business

The description of the business undertaken by the Company, its performance during the year, its position at the end of the year, and future developments are set out in the Strategic Report.

Independent Auditors

The independent auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office and are deemed to be reappointed under Section 487(2) of the Companies Act 2006.

Dividends

The Directors are not recommending a final dividend (FY24: none).

Streamlined energy and carbon reporting ("SECR")

The Company is exempt from the requirement to report under the SECR regulations on a standalone basis. The Company's energy, carbon and business travel consumption is included within the Group's reporting which is disclosed in page 28 of the Group Annual Report.

Directors' statement as to disclosure of information to auditors

So far as each person who was a Director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditors in connection with preparing their report, of which the auditors are unaware. Each Director has taken all the steps that she or he is obliged to take as a Director in order to make herself or himself aware of any relevant audit information and to establish that the auditors are aware of that information.

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

Financial Risk Management

Financial risk management information is presented in note 17.

Subsequent events

Subsequent events are presented in note 18.

On behalf of the Board

Signed by:

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C Abrahams
Director
30 July 2025

Statement of Directors' Responsibilities in Respect of the Financial Statements

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

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law).

Under company law, Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing the financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 101 have been followed, subject to any material departures disclosed and explained in the Financial Statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

On behalf of the Board

Signed by:

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C Abrahams
Director
30 July 2025

Independent Auditors' Report

to the members of IG Trading and Investments Limited

Report on the audit of the financial statements

Opinion

In our opinion, IG Trading and Investments Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 May 2025 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, including FRS 101 "Reduced Disclosure Framework", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report, which comprise: the Statement of Financial Position as at 31 May 2025; Income Statement and the Statement of Changes in Equity for the year then ended; and the notes to the financial statements, comprising material accounting policy information and other explanatory information.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

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

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

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

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

Reporting on other information

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Strategic report and Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

Strategic report and Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and Directors' Report for the year ended 31 May 2025 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic report and Directors' Report.

Independent Auditors' Report (continued)

to the members of IG Trading and Investments Limited

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of Directors' Responsibilities in Respect of the Financial Statements, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditors' responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to the rules of the Financial Conduct Authority, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as the Companies Act 2006 and relevant tax legislation. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries. Audit procedures performed by the engagement team included:

- Performing testing over the design and implementation of controls in relation to the posting of journals;
- Using Computer-Aided Audit Techniques (CAATs) in identifying and testing manual journals that we considered to represent a heightened risk of fraud, including journals with unexpected or unusual combinations and unexpected users;
- Performing enquiries of management in relation to known or suspected instances of non-compliance with laws and fraud;
- Reviewing key correspondence with regulators;
- Incorporated unpredictability into the nature, timing and/or extent of our testing.
- Testing of suspense accounts and reconciling items; and
- Reviewing minutes of the Board Committee meetings (including Audit and Risk) to identify any matters of audit relevance.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Independent Auditors' Report (continued)

to the members of IG Trading and Investments Limited

Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not obtained all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Robert Lyall

Robert Lyall (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
30 July 2025

Income Statement

for the year ended 31 May 2025

	Note	Year ended 31 May 2025 £000	Year ended 31 May 2024 £000
Trading revenue		27,220	20,432
Interest income on segregated client funds		15,062	15,983
Interest expense on segregated client funds		(2,130)	(178)
Other operating income		5,819	893
Net operating income		45,971	37,130
Operating costs	3	(21,468)	(16,547)
Net credit losses on financial assets	17	(745)	(111)
Operating profit		23,758	20,472
Finance income	7	211	234
Finance costs	8	-	(1)
Profit before tax		23,969	20,705
Tax expense	9	(2,038)	(31)
Profit for the financial year		21,931	20,674

All of the Company's profit relates to continuing operations. The Company has no items of other comprehensive income.

Statement of Financial Position

as at 31 May 2025

	Note	31 May 2025 £000	31 May 2024 £000
Current assets			
Cash and cash equivalents		5,652	9,017
Trade receivables	10	20,197	12,261
Prepayments		76	965
Other receivables	11	12,309	21,987
Income tax receivable		273	4,781
		38,507	49,011
TOTAL ASSETS		38,507	49,011
Liabilities			
Current liabilities			
Trade payables	12	6	336
Other payables	13	4,318	7,323
		4,324	7,659
Total liabilities		4,324	7,659
Equity			
Share capital	15	12,300	12,300
Retained earnings		21,883	29,052
Total equity		34,183	41,352
TOTAL EQUITY AND LIABILITIES		38,507	49,011

The Financial Statements on pages 12 to 28 were approved by the Board of Directors on 30 July 2025 and signed on their behalf by:

Signed by:
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C Abrahams
Director
30 July 2025
Registered Company number: 11628764

Statement of Changes in Equity

for the year ended 31 May 2025

	Share Capital	Retained Earnings	Total Equity
	£000	£000	£000
At 1 June 2023	**12,300**	**8,378**	**20,678**
Profit for the year	-	20,674	20,674
At 31 May 2024	**12,300**	**29,052**	**41,352**
Profit for the year	-	21,931	21,931
Equity dividends paid	-	(29,100)	(29,100)
At 31 May 2025	**12,300**	**21,883**	**34,183**

Notes to the Financial Statements

for the year ended 31 May 2025

1. General information and basis of preparation

General information

The Financial Statements of the Company for the year ended 31 May 2025 were authorised for issue by the Board of Directors on 30 July 2025 and the Statement of Financial Position was signed on behalf of the Board by Clifford Abrahams. The Company is a private company limited by shares, incorporated and domiciled in England and Wales with registered company number 11628764. The address of the registered office is Cannon Bridge House, 25 Dowgate Hill, London, EC4R 2YA.

Basis of preparation

(a) Compliance with Financial Reporting Standard 101 'Reduced Disclosure Framework' ("FRS 101")

The Financial Statements have been prepared in accordance with FRS 101 and with the requirements of the Companies Act 2006 as applicable to companies using FRS 101. The Financial Statements have been prepared under the historic cost convention.

The following disclosure exemptions from the requirements of IFRS have been applied in the preparation of these Financial Statements, in accordance with FRS 101:

- IAS 7 'Statement of Cash Flows';
- IAS 24 'Related Party Disclosures' paragraph 17;
- IAS 24 'Related Party Disclosures' requirements to disclose transactions between wholly owned Group companies;
- IAS 1 'Presentation of Financial Statements' paragraph 38 to present comparative information in respect of IAS 1 'Presentation of Financial Statements' paragraph 79 (a)(iv);
- IAS 1 'Presentation of Financial Statements' paragraphs 16-D; and
- IFRS 15 'Revenue from Contracts with Customers' second sentence of paragraph 110 and paragraphs 113(a), 114, 115, 118, 119(a) to (c), 120 to 127 and 129.

Where relevant, equivalent disclosures have been given in the Group Annual Report.

The accounting policies and interpretations adopted in the preparation of the Financial Statements are consistent with those followed in the preparation of the Company's Financial Statements for the year ended 31 May 2024.

(b) Critical accounting estimates and judgements

The preparation of the Financial Statements requires the Company to make judgements, estimates and assumptions that affect the application of accounting policies and the amounts reported for assets and liabilities as at the reporting date, and the amounts reported for revenue and expenses during the period. The nature of estimates and judgements means that actual outcomes could differ from those estimates and judgements.

In the Directors' opinion, there are no critical accounting estimates or judgements that have a significant impact on the presentation or measurement of items recorded in the Company's Financial Statements.

(c) New accounting standards and interpretations

There were no new standards, amendments or interpretations issued and made effective during the current year which have had a material impact on the Company, other than those outlined below.

The IASB has published a number of amendments to accounting standards that are effective for annual reporting periods beginning on or after 1 January 2024. These include amendments published to:

- IFRS 7 – Financial Instruments: Disclosures and IFRS 9 – Financial Instruments (effective for periods on or after 01 January 2026);
- IFRS 16 – Leases (effective for periods on or after 1 January 2024);
- IAS 1 – Presentation of Financial Statements (effective for periods on or after 1 January 2024);
- IAS 21 – The Effects of Changes in Foreign Exchange Rates (effective for periods on or after 1 January 2025) and
- IFRS 18 – Presentation and disclosure of Financial Statements (effective for periods on or after 1 January 2027).

The Company has assessed the impact of these amendments and has determined there to be insignificant impact on the Financial Statements.

The Company has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

Notes to the Financial Statements

for the year ended 31 May 2025

1. General information and basis of preparation (continued)

Basis of preparation (continued)

(d) Going concern

The Directors have prepared the Financial Statements on a going concern basis which requires the Directors to have a reasonable expectation that the Company has adequate resources to continue in operational existence for a period of at least 12 months from the date of approval of the Financial Statements.

In assessing whether it is appropriate to adopt the going concern basis in preparing the Financial Statements, the Directors have considered the resilience of the Company, taking account of its liquidity position, the adequacy of capital resources, and the availability of funding from its parent company and its operating subsidiaries. The Group's forecast and projections, which include the Company, demonstrate that the Company should be able to operate within the level of its current liquid reserves in the foreseeable future.

The Directors' assessment has considered future performance, solvency and liquidity over a period of at least 12 months from the date of approval of the Financial Statements. The Board, following the review by the Audit Committee, has a reasonable expectation that the Company has adequate resources for that period, and confirms that they consider it appropriate to adopt the going concern basis in preparing the Financial Statements.

(e) Parent company and Group Financial Statements

The immediate parent company throughout the year was Market Data Limited which is a wholly owned subsidiary of IG Group Limited. The ultimate parent company is IG Group Holdings plc.

The Financial Statements of IG Group Holdings plc and its subsidiary companies, which include the results of the Company, are publicly available and may be obtained from Cannon Bridge House, 25 Dowgate Hill, London, EC4R 2YA.

2. Material accounting policies

Foreign currencies

The functional currency of the Company is consistent with the primary economic environment in which the entity operates. Transactions in other currencies are initially recorded in the functional currency by applying spot exchange rates prevailing on the date of the transactions. Monetary assets and liabilities denominated in foreign currencies are revalued at the entity's functional currency exchange rate prevailing at the balance sheet date. Gains and losses arising on revaluation are taken to trading revenue in the Income Statement. Non-monetary assets and liabilities denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined.

Revenue recognition

Trading revenue includes revenue arising from the Company's two revenue generation models: stock trading and investments. Trading revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for services provided in the normal course of business. Trading revenue is shown net of sales taxes.

Stock trading

Trading revenue from stock trading includes fees and commission earned from client trades and the administration of client assets. Trading revenue is recognised in full on the date of the trade being placed or the fee being charged, except for custody fees which are accrued over the period for which the Company holds the stocks on behalf of its clients.

Investments

Trading revenue from investments includes management fees, which are earned as a percentage of assets under management. These are recognised over the period in which the service is provided, which reflects the period the performance obligations relate to.

Interest income and expense

Interest income and expense is accrued on a time basis, by reference to the principal amount outstanding and at the applicable interest rate.

Interest income and interest expense on segregated client money accounts held with banks and execution partners are included in operating income, which is consistent with the nature of the Company's operations.

Finance income and costs

All interest income and expenses, other than interest income and expenses on segregated client funds, are disclosed within finance income and finance costs, respectively.

Dividends

Dividends declared but not yet distributed to the Company's shareholder are recognised as a liability in the period in which the dividends are approved by the Company's Directors.

Notes to the Financial Statements

for the year ended 31 May 2025

2. Material accounting policies (continued)

Taxation

The income tax expense represents the sum of tax currently payable and the movements in deferred tax.

The current tax payable is based on taxable profit for the year. Taxable profit differs from accounting profit reported in the Income Statement as it excludes items of income or expense taxable or deductible in other years and the items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates in the respective jurisdictions that have been enacted or substantively enacted by the balance sheet date.

Financial instruments

Classification, recognition and measurement

The Company determines the classification of its financial instruments at initial recognition in accordance with the following categories outlined under IFRS 9 – Financial Instruments and re-evaluates this designation annually. The classification of financial assets takes into consideration the Company's business model for managing those financial assets and the nature of their contractual cash flows. When financial instruments are recognised initially, they are measured at fair value.

In the case of financial assets and financial liabilities not at FVTPL, the fair value of these assets and liabilities is measured net of directly attributable transaction costs.

(a) Financial assets measured at amortised cost

Financial assets measured at amortised cost are non-derivative financial assets which are held to collect the contractual cash flows. The contractual terms of the financial assets give rise to payments on specified dates that are solely payments of principal amount and interest on the principal amount outstanding. They are included in current assets, except for maturities greater than 12 months after the end of the reporting period, which are classified as non-current assets. The Company's financial assets measured at amortised cost comprise trade receivables, other receivables and cash and cash equivalents.

Interest on financial assets measured at amortised cost is included in finance income in the Income Statement using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument. When calculating the effective interest rate, the Company estimates cash flows considering all contractual terms of the financial instrument but does not consider expected credit losses unless the asset is credit impaired. The calculation includes all fees and spreads paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs, and all other premiums or discounts.

(b) Financial liabilities

The Company's financial liabilities include trade payables, and other payables. These are initially recognised at fair value less transaction fees. They are subsequently measured at amortised cost using the effective interest method. The interest expense is calculated at each reporting period by applying the effective interest rate, and the resulting charge is reflected in finance costs in the Income Statement.

(c) Determination of fair value

Financial instruments arising from money market funds and financial investments are stated at fair value. They are disclosed according to the valuation hierarchy required by IFRS 13 – Fair Value Measurement. Fair values are predominantly determined by reference to third party market values. Fair value hierarchy levels 1 to 3 are based on the degree to which the inputs into the fair value calculations are observable:

- Level 1 inputs are valued using unadjusted quoted prices in active markets for identical financial instruments.
- Level 2 inputs are those that make use of a price that is derived from significantly observable market data. For example, where an active market for an identical financial instrument to the product used by the Company to its market risk does not exist. The fair values used in the valuation of these products are sometimes brokered values and may occur after the close of a market but before the measurement date. The effects of discounting are generally insignificant for these Level 2 financial instruments.
- Level 3 inputs are those that incorporate information other than observable market data.

The fair value hierarchy level of a financial instrument is the same level as the lowest level input that is significant to the measurement of the instrument's fair value.

Impairment of financial assets

The impairment charge in the Income Statement includes a loss allowance reflecting the change in expected credit losses. Expected credit losses are recognised for trade receivables, cash and cash equivalents and other receivables. Expected credit losses are calculated as the difference between the contractual cash flows that are due to the Company and the cash flows that the Company expects to receive given the probability of default and loss given default, discounted at the original effective interest rate.

Notes to the Financial Statements

for the year ended 31 May 2025

2. Material accounting policies (continued)

Financial instruments (continued)

Impairment of financial assets (continued)

Financial assets that have not experienced a significant increase in credit risk are categorised as Stage 1 and 12-month expected credit losses are recognised; financial assets which are considered to have experienced a significant increase in credit risk since initial recognition are considered to be Stage 2; and financial assets which have defaulted or are otherwise considered to be credit impaired are allocated to Stage 3. Analysis of the credit risk for Company's assets is disclosed in note 17 of the Financial Statements.

An assessment of whether credit risk has increased significantly considers changes in the credit rating associated with the asset, whether contractual payments are more than 30 days past due and other reasonable information demonstrating a significant increase in credit risk. In accordance with the Company's internal credit risk management definition, financial instruments have a low credit risk when they have an external credit rating of 'investment grade.'

If no external credit rating is available, reference is made to the Company's internal credit risk policy.

Assets are transferred to Stage 3 when an event of default, as defined in the Group's credit risk management policy, occurs or where the assets are credit impaired. The Company determines that a default occurs when a payment is 90 days past due for all assets, except for receivables from clients where it uses 120 days. This is aligned with the Group's risk management practices.

All changes in expected credit losses subsequent to the assets' initial recognition are recognised as an impairment loss or gain. Financial assets are written off, either partially or in full, against the related allowance when the Company has no reasonable expectations of recovery of the asset. Subsequent recoveries of amounts previously written off decrease the amount of impairment losses recorded in the Income Statement.

Derecognition of financial assets and liabilities

A financial asset or liability is generally derecognised when the contract that gives rise to it is settled, sold, cancelled, or expired.

(a) Financial assets

A financial asset is derecognised when the right to receive cash flows from the asset has expired; or the Company retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a 'pass-through' arrangement; or the Company has transferred its right to receive cash flows from the asset and either has transferred substantially all the risks and rewards of the asset, or has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its right to receive cash flows from an asset and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the Company's continuing involvement in the asset. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay as a result of the guarantee.

(b) Financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, whereby the difference in the respective carrying amounts together with any costs or fees incurred are recognised in Income Statement.

Offsetting financial instruments

Amounts due from or to clients are offset, with the net amount reported in the Statement of Financial Position.

Amounts are offset where there is a legally enforceable right to offset the recognised amounts, and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

Trade payables and receivables

Trade payables represent balances with counterparties and clients where the combination of cash held on account and the valuation of financial derivative open positions result in an amount payable by the Company.

Trade receivables represent balances with counterparties and clients where the combination of cash held on account and the valuation of financial derivative open positions results in an amount due to the Company.

For trade receivables under IFRS 15 - Revenue from Contracts with Customers that do not contain a significant financing element, the Company has applied the simplified approach for measuring impairment. The expected lifetime credit loss is recognised at initial recognition of the financial asset, with the loss allowance calculated by reference to an ageing debt profile, adjusted for forward-looking information.

Notes to the Financial Statements

for the year ended 31 May 2025

2. Material accounting policies (continued)

Trade payables and receivables (continued)

Trade receivables are written off when there is objective evidence of non-collectability or when an event of default occurs. For all other trade receivables, the general approach has been applied for measuring impairment.

Other receivables

Other receivables are the financial assets which give rise to payments on specified dates that are solely payments of principal and interest on the principal amount outstanding. They are assets not designated as FVTPL. Such assets are carried at amortised cost using the effective interest method if the time value of money is significant.

For other receivables under IFRS 15 that do not contain a significant financing element, the Company has applied the simplified approach, for measuring impairment. For remaining other receivables, the general approach has been applied for measuring impairment.

Prepayments

Prepayments are assets with fixed or determinable payments made in advance for services or goods. They do not qualify as financial assets and are amortised over the period in which the economic benefit is expected to be consumed.

Cash and cash equivalents

Cash comprises of cash on hand and demand deposits which may be accessed within 90 days without penalty. Cash equivalents are short-term highly liquid investments that are readily convertible into known amounts of cash, and which are subject to an insignificant risk of changes in value. This includes money market funds.

The Company holds money on behalf of clients in accordance with the client money rules of the UK Financial Conduct Authority (FCA) and other regulatory bodies. Such monies are classified as segregated client funds in accordance with the relevant regulatory requirements or legal protections attached to the monies.

The Company deposits a certain amount of its own cash into segregated client money accounts as buffers to prevent shortfalls. As the Company retains rights to these balances, they are recognised on the Statement of Financial Position within trade receivables. These buffer balances do not meet the criteria for cash and cash equivalents.

The majority of the Company's cash balances are held with investment grade banks. The Company considers the risk of default, and how adverse changes in economic and business conditions might impact the ability of the banks to meet their obligations. The Company assesses the expected credit losses on cash and cash equivalents on a forward-looking basis and if there has been a significant increase in credit risk since initial recognition.

Segregated client funds are held in segregated client money accounts which are held off-balance sheet. The Company's ability to control these funds is restricted by local client money regulations. Furthermore, the Company is not exposed to credit risk in the event of insolvency of the financial institutions in which the funds are held, nor is the Company able to use these funds for its own operations. The return received on managing segregated client funds is included within net operating income.

Other payables

Non-derivative financial liabilities are recognised initially at fair value and carried at amortised cost using the effective interest rate method if the time value of money is significant.

Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and the amount can be reliably estimated.

Contingent liabilities

Contingent liabilities are not recognised in the Financial Statements but are disclosed unless the probability of settlement is remote. Contingent liabilities are assessed continually to determine whether an outflow of economic benefits has become probable. If it becomes probable that an outflow of future economic benefits will be required for an item previously dealt with as a contingent liability, a provision is recognised in the Financial Statements of the period in which the change in probability occurs.

Share Capital

Classification of shares as debt or equity

When shares are issued, any component that creates a financial liability of the Company is presented as a liability on the Statement of Financial Position; measured initially at fair value net of transaction costs and subsequently at amortised cost until extinguished on conversion or redemption. Dividends paid are charged as an interest expense in the Income Statement.

Equity instruments issued by the Company are recorded as the proceeds received, net of direct issue costs. Equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all its liabilities.

Notes to the Financial Statements

for the year ended 31 May 2025

3. Operating costs

	Year ended 31 May 2025	Year ended 31 May 2024
	£000	£000
Fixed remuneration	1,805	2,085
Variable remuneration	1,248	911
Employee related expenses	3,053	2,996
Royalty expense	5,716	4,290
Advertising and marketing	6,410	3,339
Trading related costs	2,879	3,043
Service charges	115	150
IT, market data and communications	618	321
Legal and professional costs	556	352
Regulatory fees	131	99
Other costs	1,990	1,957
	21,468	16,547

The Company does not directly employ any staff, and the majority of its costs are borne by other Group companies on its behalf and recharged to the Company under intercompany services arrangements.

4. Auditors' remuneration

Audit fees in relation to the statutory audit of the Financial Statements of the Company amounted to £55,000 (FY24: £53,000).

Audit related fees amounted to £114,000 (FY24: £103,000). Audit related fees include engagements that are required by the regulatory authorities in whose jurisdiction the Company operates, as well as other assurance services.

5. Directors' remuneration and shareholdings

Directors are remunerated for their services to the Group. The Directors do not consider that more than an incidental amount of their remuneration relates to the qualifying services provided to the Company and it is not possible to reliably estimate a proportion of their remuneration to the Company in respect of qualifying services they provide to the Company.

The Directors of the Company held shares in the ultimate parent company as disclosed in the Group Annual Report. Their remuneration is disclosed in the Directors' Remuneration section of the Group Annual Report.

6. Staff costs

Staff costs relate to employees employed by another Group company, where the costs are recharged to the Company. The average monthly number of employees directly employed by the Company was nil (FY24: nil).

The staff costs recharged for the year were as follows:

	Year ended 31 May 2025	Year ended 31 May 2024
	£000	£000
Wages, salaries, performance-related bonus and equity-settled share-based payment award	2,608	2,585
Social security costs	305	262
Pension costs	140	149
	3,053	2,996

The Company does not operate any defined benefit pension schemes. Pension costs include employee nominated payments to defined contribution schemes and company contributions.

Notes to the Financial Statements

for the year ended 31 May 2025

7. Finance income

	Year ended 31 May 2025 £000	Year ended 31 May 2024 £000
Bank interest income	211	234
	211	234

8. Finance costs

	Year ended 31 May 2025 £000	Year ended 31 May 2024 £000
Bank interest expense	-	1
	-	1

9. Tax expense

Tax expense charged in the Income Statement:

	Year ended 31 May 2025	Year ended 31 May 2024
Current income tax:	£000	£000
UK Corporation Tax	2,758	21
Adjustment in respect of prior years	(720)	10
Foreign withholding tax	31	21
Double taxation relief	(31)	(21)
Total current income tax	2,038	31

There are no deferred income tax charges for the current and prior years.

Reconciliation of the total tax charge

The standard UK Corporation Tax rate for the year ended 31 May 2025 is 25% (FY24: 25%). The tax expense in the Income Statement for the year can be reconciled as set out below:

	Year ended 31 May 2025 £000	Year ended 31 May 2024 £000
Profit before taxation	23,969	20,705
Profit before taxation multiplied by the UK rate of Corporation Tax of 25% (year ended 31 May 2024: 25%)	5,992	5,176
Group relief received for nil payment	(3,338)	(5,155)
Adjustment in respect of prior years	(720)	10
Other permanent difference	104	-
Total tax expense reported in the Income Statement	2,038	31

The effective tax rate is 8.5% (year ended 31 May 2024: 0.1%).

Notes to the Financial Statements

for the year ended 31 May 2025

9. Tax expense (continued)

Factors affecting the tax charge in future years

Factors that may affect the Company's future tax charge include the UK Corporate Tax rate, changes in tax legislation and the resolution of open tax issues.

The UK enacted Pillar 2 legislation, which applies to the Company from 1 June 2024. Based on the UK subgroup assessment, no material top-up tax is expected to be applicable to the Company's results.

As required by amendments to IAS 12, the Company has applied an exception from recognising deferred tax assets or liabilities relating to Pillar 2 income taxes.

10. Trade receivables

	Year ended 31 May 2025 £000	Year ended 31 May 2024 £000
Own funds in client money	17,398	10,078
Amounts due from clients	2,338	1,313
Other trade receivables	461	870
	20,197	12,261

Own funds in client money represents the Company's own cash held in segregated client funds in accordance with the UK's FCA client money regulations ("CASS rules").

Amounts due from clients arise when a client's total funds held with the Company are insufficient to cover any fees owed in relation to their stock trading and/or investment activity. This is stated net of an allowance for impairment of £0.9m (FY24: £0.2m).

11. Other receivables

	Year ended 31 May 2025 £000	Year ended 31 May 2024 £000
Other debtors	1,125	1,422
Amounts due from Group companies		
- IG Markets Limited	10,383	20,494
- IG Australia Pty Limited	532	57
- IG Limited	161	13
- Other Group companies	108	1
	12,309	21,987

Other debtors comprise interest receivable on segregated client funds and cash balances.

Amounts due from Group companies are unsecured, non-interest bearing and are payable on demand. No allowance for impairment has been recognised for Other Receivables during the year ended 31 May 2025 (31 May 2024: £nil).

12. Trade payables

	Year ended 31 May 2025 £000	Year ended 31 May 2024 £000
Amounts due to clients	6	336
	6	336

Amounts due to clients represent balances that will be transferred from the Company's own cash into segregated client funds on the following business day in accordance with the UK's FCA CASS rules.

Notes to the Financial Statements

for the year ended 31 May 2025

13. Other payables

	Year ended 31 May 2025	Year ended 31 May 2024
	£000	£000
Accruals	3,820	797
Amounts due to Group companies		
- IG Index Limited	-	5,318
- IG Group Holdings plc	22	279
- IG Knowhow Limited	473	915
- Market Data Limited	1	-
- Other Group companies	2	14
	4,318	7,323

Amounts due to Group companies are interest free, unsecured and are repayable on demand.

14. Contingent liabilities and provisions

There are no contingent liabilities as at 31 May 2025 requiring disclosure in the Company's Financial Statements (31 May 2024: none).

The Company has recognised a provision of £1.7m as at 31 May 2025 (31 May 2024: £nil) associated with the termination of a sponsorship contract which includes both committed costs and termination fees.

15. Share capital

	Year ended 31 May 2025	Year ended 31 May 2024
	£000	£000
Allotted and fully paid:		
12,300,002 (31 May 2024: 12,300,002) ordinary shares of £1 each	12,300	12,300

16. Financial instruments

Accounting classifications and fair values

The table below sets out the classification of each class of financial assets and liabilities and their fair values. The Company considers the carrying value of all financial assets and liabilities to be a reasonable approximation of fair value as at the Statement of Financial Position date.

As at 31 May 2025	Note	Amortised cost	Total carrying amount
		£000	£000
Financial assets:			
Cash and cash equivalents		5,652	5,652
Trade receivables – amounts due from clients	10	2,338	2,338
Trade receivables – own funds in client money	10	17,398	17,398
Trade receivables – other trade receivables	10	461	461
Other receivables – amounts due from Group companies	11	11,184	11,184
Other receivables – other debtors	11	1,125	1,125
		38,158	38,158
Financial liabilities:			
Trade payables – amounts due to clients	12	(6)	(6)
Other payables – amounts due to Group companies	13	(498)	(498)
Other payables – accruals	13	(3,820)	(3,820)
		(4,324)	(4,324)

Notes to the Financial Statements

for the year ended 31 May 2025

16. Financial instruments (continued)

Accounting classifications and fair values (continued)

As at 31 May 2024	Note	Amortised cost £000	Total carrying amount £000
Financial assets:			
Cash and cash equivalents		9,017	9,017
Trade receivables – amounts due from clients	10	1,313	1,313
Trade receivables – own funds in client money	10	10,078	10,078
Trade receivables – other trade receivables	10	870	870
Other receivables – amounts due from Group companies	11	20,565	20,565
Other receivables – other debtors	11	1,422	1,422
		43,265	43,265
Financial liabilities:			
Trade payables – amounts due to clients	12	(336)	(336)
Other payables – amounts due to Group companies	13	(6,526)	(6,526)
Other payables – accruals	13	(797)	(797)
		(7,659)	(7,659)

Offsetting financial assets and liabilities

The following financial assets and liabilities have been offset on the Company's Statement of Financial Position and are subject to enforceable netting agreements.

	Gross amounts of recognised financial instruments	Gross amounts of recognised financial instruments offset	Net amounts of financial assets and liabilities presented in the balance sheet
As at 31 May 2025	£000	£000	£000
Financial assets			
Other receivables - amounts due from Group companies	47,350	(36,166)	11,184
Financial liabilities			
Other payables - amounts due to Group companies	(36,664)	36,166	(498)
	10,686	-	10,686
As at 31 May 2024	£000	£000	£000
Financial assets			
Other receivables - amounts due from Group companies	28,620	(8,055)	20,565
Financial liabilities			
Other payables - amounts due to Group companies	(14,581)	8,055	(6,526)
	14,039	-	14,039

Other receivables/payables - amounts due from/to Group companies have been presented gross to reflect the impact of offsetting. The Company is entitled to offset operational receivables with payables from other Group companies on an entity-by-entity basis.

Notes to the Financial Statements

for the year ended 31 May 2025

17. Financial risk management

The Company follows the Group risk management framework in managing its risks, and detail of this is discussed in the risk management section of the Group Annual Report.

The Company is exposed to non-trading interest risk, foreign currency risk, credit risk, concentration risk and liquidity risk.

Non-trading interest rate risk

The Company has interest rate risk relating to financial instruments on its Statement of Financial Position not held at FVTPL. These exposures are not hedged. The Company has no fixed rate financial assets and liabilities.

The interest rate risk profile of the Company's financial assets and liabilities at each year-end was as follows:

	Within 1 year		Total	
	31 May 2025	31 May 2024	31 May 2025	31 May 2024
	£000	£000	£000	£000
Floating rate:				
Cash and cash equivalents	5,652	9,017	5,652	9,017
Trade receivables – own funds in client money	17,398	10,078	17,398	10,078
	23,050	19,095	23,050	19,095

There are no financial assets and liabilities which have a maturity of over 1 year.

Non-trading interest rate risk sensitivity analysis – floating rate

Interest on financial instruments classified as floating rate is re-priced at intervals of less than one year. Interest rate sensitivity has been performed on floating rate financial instruments by considering the impact of a 1% decrease in interest rates on financial assets and financial liabilities. The impact of such a movement on the Company's profit before tax is below.

	31 May 2025	31 May 2024
Impact:	£000	£000
Decrease in profit before tax:		
Cash and Cash equivalents	(57)	(90)
Trade receivables – own funds in client money	(174)	(101)

The Company is exposed to interest rate risk in relation to interest income earned on segregated client money balances which are not recognised on the Statement of Financial Position. The impact of a 1% decrease in interest rates on these balances would be a decrease in profit before tax of £4.6m (2024: £3.7m).

Foreign currency risk

The Company faces foreign currency exposures on financial assets and liabilities denominated in currencies other than its functional currency.

At year-end and throughout the year, the Company's foreign exposures were minimal as the Company did not hold significant amounts of financial instruments denominated in foreign currency. On this basis and given the fact that no residual foreign currency risk is retained in the Company, it has not disclosed the sensitivity and quantified the exposure from foreign currency rate movements as these are considered to not have a significant impact on profit before tax.

Credit risk

The principal sources of credit risk to the Company's business are from financial institutions.

Amounts due from financial institutions, which are stated net of an expected credit loss of £nil (31 May 2024: £nil), are all less than 30 days due. Amounts due from clients, which are stated net of an expected credit loss at £949,000 at 31 May 2025 (31 May 2024: £236,000), include both amounts less than and greater than 30 days due.

Notes to the Financial Statements

for the year ended 31 May 2025

17. Financial risk management (continued)

Credit risk (continued)

The analysis in the following table shows credit exposures by credit rating:

	Cash and cash equivalents		Trade receivables – amounts due from clients		Trade receivables – own funds in client money		Trade receivables – other trade receivables		Other receivables – amounts due from Group companies		Other receivables – interest from bank	
	31 May 2025	31 May 2024	31 May 2025	31 May 2024	31 May 2025	31 May 2024	31 May 2025	31 May 2024	31 May 2025	31 May 2024	31 May 2025	31 May 2024
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Credit rating:												
AA to AA-	643	560	-	-	-	-	-	-	-	-	-	-
A+ to A-	5,009	8,457	-	-	17,398	10,078	-	-	-	-	1,125	1,333
BBB+ to BBB-	-	-	-	-	-	-	-	-	10,383	20,494	-	89
Unrated	-	-	2,338	1,313	-	-	461	870	801	71	-	-
Total carrying amount	5,652	9,017	2,338	1,313	17,398	10,078	461	870	11,184	20,565	1,125	1,422

Loss allowance

Below is a reconciliation of the total loss allowance:

	31 May 2025	31 May 2024
	£000	£000
At the beginning of the year	236	127
Loss allowance for the year:		
- gross charge for the year	2,171	1,213
- recoveries	(1,426)	(1,102)
- debts written off	(32)	(2)
At the end of the year	949	236

The loss allowance has been calculated in accordance with the Company's expected credit loss model.

The following table provides an overview of the Company's credit risk and the associated loss allowance for assets held at amortised cost.

As at 31 May 2025	**Stage 1** 12-month ECL	**Stage 2** Lifetime ECL	**Stage 3** Lifetime ECL	Total
Credit grade:	£000	£000	£000	£000
Investment grade	34,558	-	-	34,558
Non-investment grade	3,204	75	1,270	4,549
Gross carrying amount	37,762	75	1,270	39,107
Loss allowance	(232)	(31)	(686)	(949)
Total carrying amount	37,530	44	584	38,158

Notes to the Financial Statements

for the year ended 31 May 2025

17. Financial risk management (continued)

Loss allowance (continued)

As at 31 May 2024	**Stage 1** 12-month ECL	**Stage 2** Lifetime ECL	**Stage 3** Lifetime ECL	Total
Credit grade:	£000	£000	£000	£000
Investment grade	39,589	-	-	39,589
Non-investment grade	1,384	10	214	1,608
Gross carrying amount	40,973	10	214	41,197
Loss allowance	-	(10)	(214)	(224)
Total carrying amount	40,973	-	-	40,973

Concentration risk

The Company's largest credit exposure to any bank as at 31 May 2025 was £17,398,000 (A+ rated) (31 May 2024: £2,651,000 (A+ rated)).

This risk is managed at a Group level and details are in the risk management section of the Group Annual Report. The Company has no significant credit exposure to any one client or group of connected clients.

Liquidity risk

Liquidity risk is the risk that the Company does not have sufficient cash or collateral to make payments to its counterparties as they fall due. The Company manages its liquidity risk in accordance with the Group's liquidity risk management policy, and this is discussed in the risk management section of the Group Annual Report.

Maturities of financial liabilities

The tables below outline the Company's financial liabilities into relevant maturity categories based on their contractual maturities. The amounts disclosed below are the contractual undiscounted cash flows.

	31 May 2025		
	Within 1 year	Total	Carrying amount of liability
	£000	£000	£000
Trade payables	6	6	6
Other payables – amounts due to Group companies	498	498	498
Other payables – accruals	3,820	3,820	3,820
Total	4,324	4,324	4,324

	31 May 2024		
	Within 1 year	Total	Carrying amount of liability
	£000	£000	£000
Trade payables - amounts due to clients	336	336	336
Other payables – amounts due to Group companies	6,526	6,526	6,526
Other payables – accruals	797	797	797
Total	7,659	7,659	7,659

The Company has no financial liabilities falling due after more than one year.

Notes to the Financial Statements

for the year ended 31 May 2025

17. Financial risk management (continued)

Capital management

The Company manages its capital resources with the objectives of investing in business growth and distributing excess capital via dividends to its parent company, whilst complying with the regulatory requirements imposed on the Company.

The Company is subject to the IFPR and is required to carry out an Internal Capital and Risk Assessment (“ICARA”) annually, prepared under the requirements of the MiFIDPRU. Further details of the ICARA are included in the Company’s IFPR disclosures set out on the Group’s website (https://www.iggroup.com/governance/download-centre).

The regulatory capital resources of the Company are a measure of equity and where applicable, adjusted for intangible assets, deferred tax assets, dividends and prudent valuation, which as at 31 May 2025 totalled £12,200,000 (31 May 2024 £18,300,000). The Company monitors its capital resources and capital requirements daily, which includes monitoring of internal warning indicators.

The Company met all regulatory capital requirements throughout the year ended 31 May 2025 and 31 May 2024. The Company is not required to comply with any third-party financial covenants.

18. Subsequent events

There have been no subsequent events since 31 May 2025 requiring disclosure in the Company’s Financial Statements.