

Company registration number 01947598 (England and Wales)

**MARLBOROUGH INVESTMENT MANAGEMENT LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2024**

Wilds Ltd  
Chartered Accountants and Statutory  
Auditors  
Lancaster House  
70-76 Blackburn Street  
Radcliffe  
Manchester  
M26 2JW

# MARLBOROUGH INVESTMENT MANAGEMENT LIMITED

## COMPANY INFORMATION

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<b>Directors</b>	Mr A Staley Mr SC Ellis Mr DG Kiddie Mr RA Goodall Mr D Clarke Mr S Macdonald
<b>Secretary</b>	Mrs N Burns
<b>Company number</b>	01947598
<b>Registered office</b>	Marlborough House 59 Chorley New Road Bolton Bolton UK BL1 4QP
<b>Auditor</b>	Wilds Ltd Lancaster House 70-76 Blackburn Street Radcliffe Manchester M26 2JW
<b>Business address</b>	Marlborough House 59 Chorley New Road Bolton BL1 4QP

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# MARLBOROUGH INVESTMENT MANAGEMENT LIMITED

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# MARLBOROUGH INVESTMENT MANAGEMENT LIMITED

## STRATEGIC REPORT

**FOR THE YEAR ENDED 30 SEPTEMBER 2024**

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The directors present the strategic report for the year ended 30 September 2024.

### **Principal activity**

The principal activity of Marlborough Investment Management Limited (MIM) is the management of discretionary investment portfolios on behalf of companies, trusts, pension funds and private individuals, with the vast majority of business being introduced to the company by professional advisers.

### **Fair review of the business**

Marlborough runs managed investment solutions in both funds and portfolios. Despite difficult trading conditions, Marlborough has seen net inflows into its products and assets under management (AUM). Overall, AUM rose to £4,214m (2023: £3,943m). Growth has predominantly been in managed portfolio solutions (MPS) products and this has helped to offset some of the challenges in the single-strategy space.

Overall, investment management revenues decreased by 17% and costs decreased by 10% with the net result that profits before tax decreased to £708,238 (2023: £1,444,836). Within the single strategy funds Marlborough runs, the UK small-cap market is experiencing challenging conditions and Marlborough continued to be adversely impacted by outflows from its UK smaller companies funds. However, the business has a long track record of success in this area and expects these funds to rebound strongly in more positive market conditions. In other sectors, Marlborough European Special Situations was named Best European Small and Mid-Cap Fund over 10 Years in the 2024 LSEG Lipper Fund Awards, and has seen strong inflows during the year.

Multi Asset MPS has performed well both in terms of investment performance and net inflows. Changes are currently being made to the UK-registered multi-asset fund range to more closely align these products with the MPS offering. This is expected to lead to further growth in AUM in the funds.

Nathan Sweeney, Chief Investment Officer of Multi-Asset, and Raj Manon, Head of Investments – Multi-Asset, were selected again this year for Citywire Wealth Manager's Top 100. This is the investment trade publication's annual list of the UK's foremost fund selectors.

The company also continued to invest in the growth of its investment team and further improvements to its systems and processes.

The company has seen significant inflows into the funds in the Irish-domiciled multi-asset range, which have seen particularly strong performance during the year. These portfolios won the International DFM Fund/Product of the Year category in the Investment International Awards 2024. The award recognises excellence in fund management and portfolio construction and was decided by a team of judges including a specially selected panel of financial advisers.

Marlborough has continued to focus on widening distribution, investing in both its distribution and marketing teams. Marlborough's profile in the media is growing, with the investment team providing expert comment on markets on Sky News, in the Financial Times and through outlets including Reuters and Bloomberg.

Marlborough has also established a new bespoke discretionary investment service, called Personal Portfolio, working with financial advisers and their high-net-worth clients. This service launched after the end of the year in review.

# MARLBOROUGH INVESTMENT MANAGEMENT LIMITED

## STRATEGIC REPORT (CONTINUED)

**FOR THE YEAR ENDED 30 SEPTEMBER 2024**

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### Principal risks and uncertainties

Growth in assets under management and new fund sales, and hence revenue and profitability, will continue to be significantly influenced by the performance of stock markets. The company's strategy of widening its distribution network and expanding its product range is designed to mitigate this risk.

As in previous years, Marlborough continues to face pressure on margins and escalating costs associated with compliance with new regulatory requirements.

The directors are satisfied with the results and financial position for the year under review. The company's profitability has fallen during challenging times. However, it remains profitable, continues to invest for growth, and quality of service remains a key differentiator for the business.

Marlborough's capital position has remained strong during the year, with the company holding capital well in excess of its capital adequacy requirement. The company had net assets at the year-end of £9.2m and liquidity is healthy, with the majority of its net assets being cash and other liquid assets.

The company is committed to service excellence and high standards of business conduct and has invested in recruitment so these standards can be maintained as client numbers grow. Despite the challenges faced during the year, the company has continued to invest in staff, and the directors remain confident that the business employs staff with the appropriate talents to meet its objectives.

### Statement by the directors in performance of their statutory duties in accordance with s172(1) Companies Act 2006

The board of directors of Marlborough Investment Management Limited consider that in their decision-making they have acted in a manner most likely to promote the success of the company for the benefit of its members as a whole. In doing so, they have considered their statutory duties as follows:

- a) The likely consequence of any decision in the long term
- b) The interests of the company's employees
- c) The need to foster the company's business relationships with suppliers, customers and others
- d) The impact of the company's 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.

The following demonstrates how the directors take these factors into consideration in their decision making.

The company's activities are not expected to change in the foreseeable future. The focus is on working strategically with existing partners to deliver AUM growth while also forming new partnerships, to achieve growth in AUM. The directors are confident that the business employs people with the appropriate talent and experience to meet its objectives, while maintaining the culture of the business. The directors believe strong relationships with stakeholders will enable the business to overcome the economic, regulatory and other challenges it faces in the year ahead.

In addition to key financial performance Indicators referred to above, the business is aware of its environmental responsibilities and endeavours to minimise its operational impact on the environment. The company forms part of a wider group, with environmental and employee relations considered at group level.

In line with the best available science, the group acknowledges there is an urgent need to accelerate the transition towards global net zero. After a recent review, the group has acknowledged that its original target of achieving net zero by 2040 was highly ambitious and has amended this to 2050. While the group's commitment to net zero remains as strong as ever, this target is viewed as more realistic.

# MARLBOROUGH INVESTMENT MANAGEMENT LIMITED

## STRATEGIC REPORT (CONTINUED)

**FOR THE YEAR ENDED 30 SEPTEMBER 2024**

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The group continues to implement, monitor and review its environmental, social and governance (ESG) policy and net zero strategy documents. The company remains focused, resolute and compliant with its emissions reporting responsibilities. Regular reporting is conducted through Streamlined Energy and Carbon Reporting (SECR), the Energy Saving Opportunity Scheme (ESOS), the Task Force on Climate-Related Financial Disclosures (TCFD) and Sustainability Disclosure Requirements (SDR). This reporting is completed through the work of group colleagues and with the help of external specialists.

The objective of reaching carbon neutrality through the group's utility contracts across operations by the end of 2025 remains on course. The business has made great progress so far, replacing expiring 'traditional' energy contracts using the Renewable Energy Guarantees of Origin (REGO) scheme (58% of the group's energy is now bought via REGO).

The group has recently established a sub-committee of its executive committee that is wholly focused on sustainability matters. In addition, it has established a sustainability champions group, which will drive a range of initiatives. Regular sustainability updates are communicated through various channels and colleagues can keep up with progress through the group's new corporate social responsibility (CSR) intranet page, which is kept up to date by the recently established CSR forum. Looking ahead, the board are set to agree and schedule ESG training for all colleagues and additional training will also be provided for the sustainability champions group.

Sustainability offers environmental, economic and social benefits, and, through sustainable practices, the group can identify and implement potential cost-saving opportunities in areas such as energy efficiency and waste reduction. Socially, we can have a positive impact on colleague wellbeing and in our local communities. Environmentally, the group will contribute to helping to promote a healthier planet through managing, monitoring and reviewing its environmental impacts.

The business recognises that employee relations are a critical factor requiring careful attention. To foster a positive workplace culture, we have completed and reviewed comprehensive employee engagement surveys. Based on the insights gained, we are setting strategic objectives to address key areas of employee satisfaction and organisational growth. We are committed to maintaining robust policies that prioritise both the remuneration and welfare of our employees.

On behalf of the board

Mr D Clarke  
**Director**

14 January 2025

# MARLBOROUGH INVESTMENT MANAGEMENT LIMITED

## DIRECTORS' REPORT

### *FOR THE YEAR ENDED 30 SEPTEMBER 2024*

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The directors present their annual report and financial statements for the year ended 30 September 2024.

#### **Results and dividends**

The results for the year are set out on page 10.

No ordinary dividends were paid. The directors do not recommend payment of a final dividend.

#### **Directors**

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Mr A Staley  
Mr SC Ellis  
Mr DG Kiddie  
Mr RA Goodall  
Mr D Clarke  
Mr S Macdonald

#### **Auditor**

The auditors Wilds Ltd are deemed to be reappointed under section 487(2) of the Companies Act 2006

#### **Statement of disclosure to auditor**

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

#### **Medium-sized companies exemption**

This report has been prepared in accordance with the provisions applicable to companies entitled to the medium-sized companies exemption.

On behalf of the board

Mr D Clarke

**Director**

14 January 2025

# MARLBOROUGH INVESTMENT MANAGEMENT LIMITED

## DIRECTORS' RESPONSIBILITIES STATEMENT

***FOR THE YEAR ENDED 30 SEPTEMBER 2024***

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The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- 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 keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.



# MARLBOROUGH INVESTMENT MANAGEMENT LIMITED

## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF MARLBOROUGH INVESTMENT MANAGEMENT LIMITED

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#### Opinion

We have audited the financial statements of Marlborough Investment Management Limited (the 'company') for the year ended 30 September 2024 which comprise the statement of comprehensive income, the balance sheet, the statement of changes in equity and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 September 2024 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### Basis for opinion

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

#### Conclusions relating to going concern

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

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

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

#### Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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

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

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

# MARLBOROUGH INVESTMENT MANAGEMENT LIMITED

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE MEMBERS OF MARLBOROUGH INVESTMENT MANAGEMENT LIMITED

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

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

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

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

#### **Responsibilities of directors**

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

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

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

# MARLBOROUGH INVESTMENT MANAGEMENT LIMITED

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE MEMBERS OF MARLBOROUGH INVESTMENT MANAGEMENT LIMITED

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#### **The extent to which the audit was considered capable of detecting irregularities, including fraud**

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and addressing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

We obtained an understanding of laws and regulations that affect the company, focusing on those that had a direct effect on the financial statements or that had a fundamental effect on its operations. Key laws and regulations that we identified included the UK Companies Act, tax legislation, licensing regulations and occupational health and employment legislation.

We enquired of the directors, reviewed correspondence with HMRC and reviewed directors' meeting minutes for evidence on non-compliance with relevant laws and regulations. We also reviewed controls the directors have in place to ensure compliance.

We gained an understanding of the controls that the directors have in place to prevent and detect fraud. We enquired about any incidences of fraud that had taken place during the accounting period.

The risk of fraud and non-compliance with laws and regulations and fraud was discussed within the audit team and tests were planned and performed to address these risks. We identified the potential for fraud in the following areas: misappropriation of cash and other assets, remuneration that is linked to results and compliance with debt covenants.

We enquired of the directors and third-party advisors about actual and potential litigation and claims.

We performed analytical procedures to identify any unusual or unexpected relationships that might indicate risks of material misstatement due to fraud.

In addressing the risk of fraud due to management over-ride of internal controls we tested the appropriateness of journal entries and assessed whether the judgements made in making accounting estimates were indicative of a potential bias.

Due to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. We are not responsible for preventing fraud or non-compliance with laws and regulations and cannot be expected to detect all fraud and non-compliance with laws and regulations.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

# **MARLBOROUGH INVESTMENT MANAGEMENT LIMITED**

## **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

### **TO THE MEMBERS OF MARLBOROUGH INVESTMENT MANAGEMENT LIMITED**

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#### **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.

**For and on behalf of Wilds Ltd**

14 January 2025

**Chartered Accountants  
Statutory Auditor**

Lancaster House  
70-76 Blackburn Street  
Radcliffe  
Manchester  
M26 2JW

# MARLBOROUGH INVESTMENT MANAGEMENT LIMITED

## STATEMENT OF COMPREHENSIVE INCOME

**FOR THE YEAR ENDED 30 SEPTEMBER 2024**

	Notes	2024 £	2023 £
<b>Turnover</b>	<b>2</b>	11,348,801	12,791,539
Cost of sales		(2,274,569)	(1,930,405)
<b>Gross profit</b>		9,074,232	10,861,134
Administrative expenses		(8,845,786)	(9,768,007)
<b>Operating profit</b>	<b>3</b>	228,446	1,093,127
Interest receivable and similar income	<b>6</b>	479,792	351,709
<b>Profit before taxation</b>		708,238	1,444,836
Tax on profit	<b>7</b>	(196,484)	(333,000)
<b>Profit for the financial year</b>		511,754	1,111,836

The profit and loss account has been prepared on the basis that all operations are continuing operations.

# MARLBOROUGH INVESTMENT MANAGEMENT LIMITED

## BALANCE SHEET

AS AT 30 SEPTEMBER 2024

	Notes	2024 £	£	2023 £	£
<b>Fixed assets</b>					
Investments	10		97,872		97,872
<b>Current assets</b>					
Debtors	12	2,932,229		1,239,905	
Cash at bank and in hand		7,544,319		11,189,631	
		10,476,548		12,429,536	
<b>Creditors: amounts falling due within one year</b>	13	(1,398,852)		(3,863,594)	
<b>Net current assets</b>			9,077,696		8,565,942
<b>Net assets</b>			9,175,568		8,663,814
<b>Capital and reserves</b>					
Called up share capital	15	3,185,000		3,185,000	
Profit and loss reserves		5,990,568		5,478,814	
<b>Total equity</b>			9,175,568		8,663,814

These financial statements have been prepared in accordance with the provisions relating to medium-sized companies.

The financial statements were approved by the board of directors and authorised for issue on 14 January 2025 and are signed on its behalf by:

Mr D Clarke  
**Director**

Company registration number 01947598 (England and Wales)

# MARLBOROUGH INVESTMENT MANAGEMENT LIMITED

## STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 SEPTEMBER 2024

	Notes	Share capital £	Profit and loss reserves £	Total £
<b>Balance at 1 October 2022</b>		3,185,000	8,366,978	11,551,978
<b>Year ended 30 September 2023:</b>				
Profit and total comprehensive income		-	1,111,836	1,111,836
Dividends	8	-	(4,000,000)	(4,000,000)
<b>Balance at 30 September 2023</b>		3,185,000	5,478,814	8,663,814
<b>Year ended 30 September 2024:</b>				
Profit and total comprehensive income		-	511,754	511,754
<b>Balance at 30 September 2024</b>		3,185,000	5,990,568	9,175,568

# MARLBOROUGH INVESTMENT MANAGEMENT LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

**FOR THE YEAR ENDED 30 SEPTEMBER 2024**

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### 1 Accounting policies

#### Company information

Marlborough Investment Management Limited is a private company limited by shares incorporated in England and Wales. The registered office is Marlborough House, 59 Chorley New Road, Bolton, Lancashire, UK, BL1 4QP.

#### 1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

This company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements:

- Section 7 'Statement of Cash Flows': Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues: Interest income/expense and net gains/losses for financial instruments not measured at fair value; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 26 'Share based Payment': Share-based payment expense charged to profit or loss, reconciliation of opening and closing number and weighted average exercise price of share options, how the fair value of options granted was measured, measurement and carrying amount of liabilities for cash-settled share-based payments, explanation of modifications to arrangements;
- Section 33 'Related Party Disclosures': Compensation for key management personnel.

Marlborough Investment Management Limited is a wholly owned subsidiary of Marlborough Group Holdings Limited and the results of Marlborough Investment Management Limited are included in the consolidated financial statements of Marlborough Group Holdings Limited which are available from Companies House, Crown Way, Cardiff.

#### 1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

#### 1.3 Turnover

Turnover comprises the fair value of the consideration received or receivable for services provided in the normal course of business, and is shown net of VAT and other sales related taxes.

The company recognises revenue when:

The amount of revenue can be reliably measured;  
it is probable that future economic benefits will flow to the entity;  
and specific criteria have been met for each of the company's activities.



# MARLBOROUGH INVESTMENT MANAGEMENT LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2024

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### 1 Accounting policies

(Continued)

#### 1.4 Fixed asset investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

An associate is an entity, being neither a subsidiary nor a joint venture, in which the company holds a long-term interest and where the company has significant influence. The company considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

Entities in which the company has a long term interest and shares control under a contractual arrangement are classified as jointly controlled entities.

#### 1.5 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### 1.6 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

##### **Other financial assets**

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

# MARLBOROUGH INVESTMENT MANAGEMENT LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2024

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### 1 Accounting policies

(Continued)

#### ***Impairment of financial assets***

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

#### ***Derecognition of financial assets***

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

#### ***Classification of financial liabilities***

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

#### ***Basic financial liabilities***

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

#### ***Other financial liabilities***

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

# MARLBOROUGH INVESTMENT MANAGEMENT LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2024

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### 1 Accounting policies

(Continued)

#### ***Derecognition of financial liabilities***

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

#### **1.7 Equity instruments**

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

#### **1.8 Taxation**

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

##### ***Current tax***

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

##### ***Deferred tax***

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

#### **1.9 Employee benefits**

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### **1.10 Retirement benefits**

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

# MARLBOROUGH INVESTMENT MANAGEMENT LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2024

### 2 Turnover and other revenue

	2024 £	2023 £
<b>Turnover analysed by class of business</b>		
Income from Managed Funds and Advisory Services	11,348,801	12,791,539
	2024 £	2023 £
<b>Turnover analysed by geographical market</b>		
UK	9,980,977	11,633,922
Ireland	1,049,871	724,851
Guernsey	317,953	432,766
	11,348,801	12,791,539
	2024 £	2023 £
<b>Other revenue</b>		
Interest income	479,792	351,709

### 3 Operating profit

	2024 £	2023 £
Operating profit for the year is stated after charging/(crediting):		
Exchange (gains)/losses	(2,746)	6,290
Fees payable to the company's auditor for the audit of the company's financial statements	40,580	51,744

### 4 Employees

The employment contracts for the employees are held with a different group company and so in accordance with s411 CA 2006 there is no disclosure

### 5 Directors' remuneration

The employment contracts for the directors are held with a different group company and so in accordance with s411 CA 2006 there is no disclosure

### 6 Interest receivable and similar income

	2024 £	2023 £
<b>Interest income</b>		
Interest on bank deposits	479,792	351,709

# MARLBOROUGH INVESTMENT MANAGEMENT LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 30 SEPTEMBER 2024

#### 7 Taxation

	2024 £	2023 £
<b>Current tax</b>		
UK corporation tax on profits for the current period	196,484	333,000

The actual charge for the year can be reconciled to the expected charge for the year based on the profit or loss and the standard rate of tax as follows:

	2024 £	2023 £
Profit before taxation	708,238	1,444,836
Expected tax charge based on the standard rate of corporation tax in the UK of 25.00% (2023: 22.00%)	177,060	317,864
Tax effect of expenses that are not deductible in determining taxable profit	16,191	-
Other permanent differences	3,233	-
Under/(over) provided in prior years	-	15,136
Taxation charge for the year	196,484	333,000

#### 8 Dividends

	2024 £	2023 £
Interim paid	-	4,000,000

#### 9 Intangible fixed assets

	Goodwill £
<b>Cost</b>	
At 1 October 2023 and 30 September 2024	462,123
<b>Amortisation and impairment</b>	
At 1 October 2023 and 30 September 2024	462,123
<b>Carrying amount</b>	
At 30 September 2024	-
At 30 September 2023	-

# MARLBOROUGH INVESTMENT MANAGEMENT LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2024

### 10 Fixed asset investments

	Notes	2024 £	2023 £
Investments in subsidiaries	11	10,100	10,100
Other investments		87,772	87,772
		<u>97,872</u>	<u>97,872</u>

### 11 Subsidiaries

Details of the company's subsidiaries at 30 September 2024 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held Direct
Marlborough Investment Management (UK) Ltd	Marlborough House, 59 Chorley New Road, Bolton, BL1 4QP.	Dormant	Ordinary	100.00

The aggregate capital and reserves and the result for the year of the subsidiaries noted above was as follows:

Name of undertaking	Capital and Reserves £	Profit/(Loss) £
Marlborough Investment Management (UK) Ltd	10,100	-

### 12 Debtors

	2024 £	2023 £
<b>Amounts falling due within one year:</b>		
Trade debtors	199,395	125,535
Corporation tax recoverable	899,706	-
Amounts owed by group undertakings	622,223	-
Other debtors	773,318	737,238
Prepayments and accrued income	437,587	377,132
	<u>2,932,229</u>	<u>1,239,905</u>

# MARLBOROUGH INVESTMENT MANAGEMENT LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2024

### 13 Creditors: amounts falling due within one year

	2024 £	2023 £
Trade creditors	81,733	45,131
Amounts owed to group undertakings	-	3,427,215
Corporation tax	-	(705,748)
Other taxation and social security	27	1,016
Other creditors	-	32,239
Accruals and deferred income	1,317,092	1,063,741
	<u>1,398,852</u>	<u>3,863,594</u>

### 14 Retirement benefit schemes

	2024 £	2023 £
<b>Defined contribution schemes</b>		
Charge to profit or loss in respect of defined contribution schemes	<u>279,575</u>	<u>328,120</u>

The company responsible for the employment, operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

### 15 Share capital

	2024 Number	2023 Number	2024 £	2023 £
<b>Ordinary share capital</b>				
<b>Issued and fully paid</b>				
Ordinary Shares of £1 each	3,185,000	3,185,000	3,185,000	3,185,000
	<u>3,185,000</u>	<u>3,185,000</u>	<u>3,185,000</u>	<u>3,185,000</u>