Independent auditor's report to the members of Intermediate Capital Group plc

Opinion

In our opinion:

- Intermediate Capital Group plc's financial statements and Parent Company financial statements (the 'financial statements') give a true and fair view of the state of the Group's and of the Parent Company's affairs as at 31 March 2024 and of the Group's profit for the year then ended;
- the Group financial statements have been properly prepared in accordance with UK-adopted international accounting standards;
- the Parent Company financial statements have been properly prepared in accordance with UK-adopted international accounting standards as applied in accordance with section 408 of the Companies Act 2006; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of Intermediate Capital Group plc (the 'Parent Company') and its subsidiaries (together the 'Group') for the year ended 31 March 2024 which comprise:

Group	Parent Company
Consolidated income statement for the year ended 31 March 2024	Parent Company statement of financial position as at 31 March 2024
Consolidated statement of comprehensive income for the year ended 31 March 2024	Parent Company statement of cash flows for the year ended 31 March 2024
Consolidated statement of financial position as at 31 March 2024	Parent Company statement of changes in equity for the year ended 31 March 2024
Consolidated statement of cash flows for the year ended 31 March 2024	
Consolidated statement of changes in equity for the year ended 31 March 2024	
Related notes 1 to 33 to the financial statements, including material accounting policy information	

The financial reporting framework that has been applied in their preparation is applicable law and UK-adopted international accounting standards and as regards the Parent Company financial statements, as applied in accordance with section 408 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group and Parent Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

During the course of our independence procedures performed, it was identified that a non-audit service related to the year to 31 March 2022, approved by the Audit Committee, had been provided to an immaterial controlled undertaking of the Parent Company, by an overseas EY member firm. The service provided is prohibited under the FRC's Ethical Standard.

The service provided to the subsidiary related to the tagging of audited financial statements in XBRL format, rather than the review of tagging. The total fee for the service was £1,300 and this service has not been provided for any subsequent year end. The service was undertaken by a separate team from the audit team and does not present a self-review threat as this service does not form part of the financial statements. In addition, the work had no element of an advocacy threat.

We informed the Audit Committee following identification in November 2023. Although this is a breach of the FRC's Ethical Standard; we have concluded that an objective, reasonable and informed third party would not conclude that our independence was impaired, and that we remain independent of the Group and Parent Company in conducting the audit.

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. Our evaluation of the Directors' assessment of the Group and Parent Company's ability to continue to adopt the going concern basis of accounting included:

- obtaining an understanding of management and the Directors' processes for determining the appropriateness of the use of the going concern basis. This included discussions with management, corroborating our understanding with the Audit Committee and obtaining management's going concern assessment covering the period to 30 November 2025, which is eighteen months from the date these financial statements were authorised for issue;
- reviewing the Group's cashflow forecasts, considering if the assumptions used in the models are appropriate to enable the Directors to make an assessment in respect of going concern, including the availability of existing and forecast cash resources and undrawn facilities;
- evaluating the regulatory capital and liquidity position of the Group, including reviewing the Internal Capital Adequacy and Risk Assessment ('ICARA'). This included verifying credit facilities available to the Group by obtaining third party confirmations;
- reviewing the appropriateness of the stress and reverse stress test scenarios, including assessing the completeness of the severe scenarios that consider the key risks identified by the Group, our understanding of the business and the external market environment. We also evaluated the analysis by testing the clerical accuracy and assessed the conclusions reached in the stress and reverse stress test scenarios;
- assessing the plausibility of available options to mitigate the impact of the key risks by comparing them to our understanding of the Group;
- performing enquires of management and those charged with governance to identify risks or events that may impact the Group's ability to continue as a going concern. We also reviewed management's going concern paper approved by the Board, minutes of meetings of the Board and the Audit Committee and made enquiries of management and the Board; and
- assessing the appropriateness of the going concern disclosures by comparing them with management's assessment for consistency and for compliance with the relevant reporting requirements.

Independent auditor's report to the members of Intermediate Capital Group plc continued

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 Group and Parent Company's ability to continue as a going concern for the period to 30 November 2025.

In relation to the Group and Parent Company's reporting on how they have applied the UK Corporate Governance Code, we have nothing material to add or draw attention to in relation to the Directors' statement in the financial statements about whether the Directors considered it appropriate to adopt the going concern basis of accounting.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Group's ability to continue as a going concern.

Overview of our audit approach

Audit scope	– The Group is managed principally from one location, with core business functions, including finance and operations, located in London. All key accounting records are maintained in the UK. The Group operates international offices in Europe, Asia and North America, which are primarily responsible for deal origination, marketing and investment portfolio monitoring. – The Group comprises 215 consolidated subsidiaries, including 21 consolidated structured entities. – The Group audit team based in London performed audit procedures on all balances which are material to the Group and Parent Company financial statements.
Key audit matters	– Valuation of investments in portfolio companies, including investments valued with reference to net asset value ('NAV'), and real estate assets (including those held via fund structures and disposal groups held for sale) – Valuation of investments in Collateralised Loan Obligations ('CLOs'), including debt (senior) and equity (subordinated) tranches and collateral assets held and debt and equity tranches issued by consolidated CLOs – Calculation and recognition of management and performance fees
Materiality	– Overall Group materiality of £25.6m which represents 5% of normalised profit before tax. Normalised profit before tax is calculated as the sum of the 2024 Fund Management Company's ('FMC') profit before tax and an average of the Investment Company ('IC') profit/loss before tax for the past five financial years up to 31 March 2024. Our basis for calculating materiality reflects stakeholder focus on the Group as a fund management business and the year-on-year fluctuations within the IC's profit/loss before tax resulting from movements in investment valuation gains/losses.

An overview of the scope of the Parent Company and Group audits

Tailoring the scope

Our assessment of audit risk and our evaluation of materiality and our allocation of performance materiality determine our audit scope for the Group and Parent Company. Taken together, this enables us to form an opinion on the consolidated financial statements. We take into account size, risk profile, the organisation of the Group and effectiveness of Group-wide controls, changes in the business environment, the potential impact of climate change and other factors such as recent Internal Audit results when assessing the level of work to be performed for the Group.

In assessing the risk of material misstatement to the Group financial statements, and to ensure we had adequate quantitative coverage of significant accounts in the financial statements, we performed direct audit procedures on all items material to the Group and Parent Company financial statements. Our Group testing covered account balances material to the Group including balances of entities within Europe, Asia and North America. The audit scope of these legal entities may not have included testing of all significant accounts of the entity but will have contributed to the coverage of significant accounts tested for the Group.

As part of our Group audit procedures, we also perform analytical review procedures, testing of consolidation journals and intercompany eliminations, and foreign currency translation recalculations to respond to any potential risks of material misstatement to the Group financial statements.

Involvement with component teams

All audit work performed for the purposes of the Group audit was undertaken by the Group audit team.

Climate change

The Group has determined that the most significant future impacts from climate change on its operations will be from the adverse effects of the underlying portfolio investments. This is explained on pages 47-64 in the Task Force for Climate Related Financial Disclosures and on page 41 in the Managing Risk section. All of these disclosures form part of the 'Other information,' rather than the audited financial statements. Our procedures on these unaudited disclosures therefore consisted solely of considering whether they are materially inconsistent with the financial statements, or our knowledge obtained in the course of the audit or otherwise appear to be materially misstated, in line with our responsibilities on 'Other information'.

In planning and performing our audit we assessed the potential impacts of climate change on the Group's business and any consequential material impact on its financial statements.

The Group has explained in the General Information and basis of preparation section in Note 1 to the financial statements, on page 132, their articulation of how climate change has been reflected in the financial statements, and how they have reflected the impact of climate change in their financial statements.

Our audit effort in considering the impact of climate change on the financial statements was focused on assessing whether the effects of climate risks have been appropriately reflected by management in reaching their judgements and in relation to the assessment of the fair value of investments and the impact on performance fees. As part of this evaluation, we performed our own risk assessment, supported by our climate change internal specialists, to determine the risks of material misstatement in the financial statements from climate change which needed to be considered in our audit.

We also challenged the Directors' considerations of climate change risks in their assessment of going concern and viability, and associated disclosures. Where considerations of climate change were relevant to our assessment of going concern, these are described above.

Based on our work we have not identified the impact of climate change on the financial statements to be a key audit matter.

Independent auditor's report to the members of Intermediate Capital Group plc continued

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified. These matters included those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in our opinion thereon, and we do not provide a separate opinion on these matters.

Risk

Valuation of investments in portfolio companies, including investments valued with reference to NAV, and real estate assets (including those held via fund structures and disposal groups held for sale)

In the Consolidated and Parent Company statements of financial position, the Group's investments in portfolio companies (co-investments or alongside funds managed by ICG) of £1,964.9m (2023: £1,368.0m), investments valued with reference to NAV of £575.7m (2023: £633.7m) and real estate assets of £187.4m (2023: £192.1m) are included in Financial assets at fair value. Real estate assets of £82.7m (2023: £0.8m) are included in Investment property. Investments in portfolio companies and real estate assets of £0m (2023: £380.5m) are included in Disposal groups held for sale.

Refer to the Audit Committee Report (pages 85 - 89); Accounting policies (page 133); and Note 5 and 18 of the Financial Statements (page 141 and 164).

The Group's investment portfolio contains unquoted debt and equity securities, that are held either directly, including through joint ventures, or through funds managed by ICG. These investments are held at fair value through profit and loss or investments held for sale in accordance with International Financial Reporting Standards ('IFRS') 5 — Non-current Assets Held for Sale and Discontinued Operations ('IFRS 5').

For portfolio companies and investments valued with reference to NAV, the Group adopts a valuation methodology based on the International Private Equity and Venture Capital Valuation Guidelines 2022 ('IPEV guidelines'), and in conformity with IFRS 13 — Fair Value Measurements ('IFRS 13'). The Group predominantly applies either an earnings-based valuation technique or discounted cash flow model ('DCF') to value portfolio companies.

For real estate assets, the Group adopts a valuation methodology based on the Royal Institution of Chartered Surveyors ('RICS'), in conformity with IFRS 13 and IAS 40 — Investment Property ('IAS 40'). The Group values real estate assets using various techniques, including but not limited to, capitalisation rate to current net rent, hardcore, direct capitalisation, and income approach. For certain real estate assets, the Group engages external valuers to perform valuations.

Owing to the unquoted and illiquid nature of these investments, the assessment of fair valuation is subjective and requires several significant and complex judgements to be made by management. The exit value will be determined by the market at the time of realisation and therefore despite the valuation policy adopted and judgement made by management, the final sales value may differ materially from the valuation at the year end.

There is the risk that inaccurate judgement made in the assessment of fair value could lead to the incorrect valuation of investments in portfolio companies, investments valued with reference to NAV and real estate assets. In turn, this could materially misstate the financial assets at fair value in the Consolidated and Parent Company Statements of financial position, and the Net gains on investments in the Consolidated income statement.

There is also a risk that management may influence the judgement and estimation in respect of the portfolio companies, investments valued with reference to NAV and real estate asset valuations in order to meet market expectations of the Group.

Our response to the risk

We have:

- Obtained an understanding of management's processes and controls for the valuation of investments in portfolio companies, investments valued with reference to NAV, and real estate assets (including co-investments or alongside funds managed by ICG) by performing walkthrough procedures, in which we evaluated the design effectiveness and implementation of controls. This included discussing with management the valuation governance structure and protocols around their oversight of the valuation process, including the Group Valuation Committee, as well as reviewing the Group Valuation Committee papers and minutes.
- Compared management's valuation methodologies to IFRS and the relevant IPEV and RICS guidelines. We sought explanations from management where there were judgements applied in their application of the guidelines and assessed their appropriateness.
- On a sample basis, we agreed key inputs in the valuation models to source data, including portfolio company financial information. We also performed procedures on key judgements made by management in the calculation of fair value
  - performed calculations to assess the appropriateness of discount rates used in DCF valuations, with reference to relevant industry and market data;
  - assessed the suitability of the comparable companies used in the calculation of the earnings multiples;
  - challenged management on the applicability and completeness of adjustments made to earnings multiples by obtaining rationale and supporting evidence for adjustments made; and
  - assessed the appropriateness of the portfolio company financial information, including business plans, used in the valuation and any relevant adjustments made by obtaining rationale and supporting evidence.

- For a sample of investments valued with reference to NAV, we:
  - obtained the most recently available NAV statements from the general partner/administrator and compared the NAV of the investment attributable to the Group to the valuation per the accounting records;
  - where the most recently available capital allocation statements were non-coterminous with the reporting date, obtained details of any adjustments for cash flows and fair value made by management and corroborated these to call and distribution notices and bank statements;
  - where the general partner valuations as set out in the NAV statements had been overridden by management, engaged our valuation specialists to review the valuations of these investments;
  - obtained the underlying fund trial balances for each of the investments in our sample and tested those balances material to the Group and Parent Company in accordance with the relevant testing threshold (i.e. the underlying investment valuations and other material balances, e.g. cash);
  - obtained the most recent audited financial statements of the underlying fund and reviewed the Auditor's opinion to confirm that the underlying investment is held at fair value in a manner consistent with IFRS 13 and that there are no audit opinion modifications which would affect the fair value of the investments; and
  - inquired of management regarding any potential fair value adjustments as a result of updated information received or observable market movements and obtained evidence to confirm these were immaterial to the Group's financial statements.
- For a sample of real estate assets, obtained the external valuation reports, where an external valuer is engaged, and assessed their competence and objectivity.
- With the assistance of our valuations specialists, formed an independent view on the appropriateness of the key assumptions and inputs used in the valuation of a sample of portfolio companies, investments valued with reference to NAV, and real estate assets, with reference to relevant industry and market valuation considerations and data points. Through our analysis, including taking into account other qualitative risk factors, such as company-specific risk factors, we derived a range of acceptable fair values. We compared these ranges to management's fair values and discussed our results with both management and the Audit Committee.
- Checked the mathematical accuracy of the valuation models on a sample basis. We recalculated the unrealised gains/losses on revaluation of investments impacting the Net gains on investments in the Consolidated income statement.

Independent auditor's report to the members of Intermediate Capital Group plc continued

Risk	Our response to the risk
Valuation of investments in portfolio companies, including investments valued with reference to NAV, and real estate assets (including those held via fund structures and disposal groups held for sale) continued	– Considered the impact of climate change throughout our procedures performed on the valuation of portfolio companies, investments valued with reference to NAV and real estate assets, by challenging whether the valuation methodologies and assumptions used are appropriate. – Challenged management to understand the rationale for any material differences between the exit prices of investments realised during the year and the prior year fair value, to further verify the reasonableness of the current year valuation models and methodology adopted by management. – In order to address the residual risk of management override we have performed journal entry testing

Key observations communicated to the Audit Committee

The valuation of investments was found to be materially correct in accordance with UK-adopted international accounting standards and the IPEV or RICS guidelines, respectively.

Based on our procedures performed, we had no material matters to report the Audit Committee.

Risk	Our response to the risk

Valuation of investments in Collateralised Loan Obligations ('CLOs'), debt (senior) and equity (subordinated) tranches and collateral assets held and debt and equity tranches issued by consolidated CLOs
In the Consolidated and Parent Company Statements of financial position, the Group's investments in CLO debt (senior) of £105.9m (2023: £105.8m) and equity (subordinated debt) tranches of £19.7m (2023: £7.5m), and investments held by consolidated CLOs of £4,617.5m (2023: £4,669.1m) are included in Financial assets at fair value. The liabilities held by consolidated CLOs of £4,602.3m (2023: £4,572.7m) are included in Financial liabilities at fair value.
 	
Refer to the Audit Committee Report (pages 85 - 89); Accounting policies (page 133); and Note 5 of the Financial Statements (page 141).
 	
The Group holds investments in CLOs in both the debt and equity tranches. These investments are accounted for at fair value through profit or loss. The Group consolidates the CLOs where it is deemed to have control in accordance with IFRS 10 — Consolidated financial statements ('IFRS 10').
 	
In particular, significant judgement was required where there is limited market activity to provide reliable observable inputs.
 	
There is the risk that inaccurate judgement made in the assessment of fair value could lead to the incorrect valuation of investments in CLOs which could materially misstate the Financial assets and Financial Liabilities at fair value in the Consolidated and Parent Company Statements of financial position. In turn, this could materially misstate the Net gains on investments account in the Consolidated income statement.
 	
There is also a risk that management may influence the judgements and estimations of the investments in CLO debt and equity tranches in order to meet market expectations of the Group.
	Unconsolidated CLOs — Investments in CLO debt and equity
	We have:
	– Obtained an understanding of management's processes and controls for the valuation of CLOs by performing walkthrough procedures, in which we evaluated the design effectiveness and implementation of controls;
	– Agreed each tranche size to observable market data (i.e., Fitch Ratings);
	– Obtained the available observable market prices (i.e., Markit) and compared it to management's fair valuations for positions with observable inputs;
	– Formed an independent range of fair values for a sample of the sub-investment grade debt and equity tranches with the assistance of our valuation specialists. This included:
	  – projecting cash flows using a cash flow model and market-based assumptions such as default rates;
	  – estimating a range of yields based on either recent trade data or comparable CLO securities;
	  – performing independent comparative calculations using the cash flows and yields; and
	  – recalculating the unrealised gain/loss on revaluation of investments impacting the Net gains on investments in the Consolidated income statement.
	– Performed journal entry testing in order to address the residual risk of management override.
	
	Consolidated CLOs – collateral assets and debt and equity tranches
	We have:
	– Obtained an understanding of management's processes and controls for the consolidation of CLOs by performing walkthrough procedures, in which we evaluated the design effectiveness and implementation of controls;
	– Agreed consolidated balances in the financial statements to underlying financial records maintained by third-party administrators ('administrator accounts');
	– Obtained trustee confirmations for all collateral assets and agreed information per the administrator accounts (par value and market value) to the confirmations;
	– Obtained the available observable market prices (i.e., Markit) and compared it to management's fair valuations for a sample of collateral assets;
	– Recalculated the accrued interest and fair value of a sample of collateral assets;
	– Obtained the available observable market data (i.e., Markit or Refinitiv) to determine the appropriateness of management's fair value levelling for a sample of collateral assets;
	– Agreed the par value of all debt and equity tranches to observable market data or underlying agreements;
	– Recalculated the carrying value of debt tranches with reference to observable coupon rates and recalculated the carrying value of equity tranches in terms of the priority of payments; and
	– Recalculated the accrued interest expense on debt tranches using market coupon rates (Refinitiv) and compared to the administrator's amounts.

Key observations communicated to the Audit Committee

The valuation of the CLOs was found to be materially correct in accordance with UK-adopted international accounting standards.

Based on our procedures performed we had no material matters to report to the Audit Committee.

Independent auditor's report to the members of Intermediate Capital Group plc continued

Risk	Our response to the risk
Calculation and recognition of management and performance fees *In the Consolidated income statement, management fees of £552.7m (2023: £481.6m), including performance fees of £76.2m (2023: £22.4m), are included in Fee and other operating income.* *Refer to the* Audit Committee Report (pages 85-89); Accounting policies (page 133); and Note 3 of the Financial Statements (page 134). The Group manages funds across numerous domiciles and investment strategies and receives management fees and performance fees from its performance of investment management services for third-party money it manages. Management fees are calculated based on an agreed percentage of either committed capital, invested capital or net asset value ('NAV'), depending on the contractual agreement of the underlying fund. The calculations are prepared by third-party administrators or ICG for some CLOs. Due to the manual nature of the process, there is a risk that management fees are incorrectly calculated. There is also a risk of manual override as processing of journal entries for management fees is performed by ICG. Performance fees are calculated as a contractual percentage of a fund's return, once a specified hurdle rate is expected to be met. These amounts are specified in the underlying contract between the fund and the Group in its capacity as investment manager. Performance fees are only received when a triggering event, such as a realisation or refinancing, occurs. In respect of performance fees, management must apply judgment in accordance with IFRS 15 – Revenue from contracts with customers ('IFRS 15') to determine whether it is highly probable that a significant reversal will not occur in the future. The following are identified as the key risks or judgement in respect of the recognition of performance fees: – inappropriate judgement is made by management in the process, including whether a constraint is applied and in determining the forecast exit dates of underlying investments; – errors are made in performing complex manual calculations within the model; and – inappropriate inputs are used by management in the calculations. The accuracy and recognition of revenue is important to the Group's financial statements. Stakeholder expectations may place pressure on management to influence the recognition of revenue. This may result in overstatement or deferral of revenue to assist in meeting current or future revenue targets or expectations.	We have obtained an understanding of management's processes and controls for the calculation and recognition of management fees and performance fees by performing walkthrough procedures, in which we evaluated the design effectiveness and implementation of controls. **Management fees** For a sample of funds, we have: – agreed the fee terms used in the calculation to the terms as specified in the relevant legal agreements, for example the investment management agreement or limited partnership agreement; – validated key inputs, such as committed capital, invested capital or NAV, to supporting evidence; – tested the arithmetical accuracy of the calculations prepared by ICG or the third-party administrators by performing independent recalculations; – traced management fees received during the year to bank statements; – reconciled the closing management fee debtor in the Consolidated statement of financial position; and – traced the year end debtor balance to post year end bank statements, where received in April 2024, to assess recoverability. – In order to address the residual risk of management override we have performed journal entry testing. **Performance fees** For a sample of funds, we have: – agreed contractual terms such as hurdle rates and percentage receivable to underlying legal agreements; – assessed that the relevant hurdles have been met or are expected to be met within 24 months of the year-end, where performance fees are being accrued; – determined the reasonableness of forecast exit dates with reference to our work performed over valuations of the investment portfolio and our understanding of the investment life cycle; – verified that the constraint applied to performance fee revenue to be recognised has been appropriately applied in accordance with management's IFRS 15 policy; – tested the arithmetical accuracy of the calculations by performing independent recalculations; – assessed whether each payment of performance fees was a result of a triggering event, such as a realisation or refinancing and verified cash flows to bank statements; and – reconciled the closing performance fee debtor in both the Parent Company and Consolidated statements of financial position, and evaluated the classification of performance fees as either current or non-current, aligning them with the respective hurdle dates for the funds; and – for funds sitting outside of the performance fee model which fell within our sample (ICG Alternative Credit and ICG Enterprise Trust) we have reconciled the performance fee revenue to the 31 December 2023 audited fund financial statements and recalculated any performance fee revenue recognised in the period from 1 January to 31 March 2024. ICG Australia Senior Loans also sits outside the model, we have recalculated the performance fee recognition on the fund to 31 March 2024. – We compared the performance of the underlying funds used in the performance fee calculations to our understanding of the performance of the relevant funds' underlying investments gained through our valuation work. – We challenged management to understand the rationale for any differences between the performance fee payments received during the year and the prior year estimates, to further assess the reasonableness of the current year performance fee models and methodology adopted by management. – We have considered the impact of climate change on performance fees by challenging the impact on the valuations as outlined in the key audit matters above. – In order to address the residual risk of management override we have performed journal entry testing.

Key observations communicated to the Audit Committee

Our procedures covered 83% of non-performance related management fees and 92% of performance-related management fees. Our audit procedures did not identify any material matters regarding the calculation and recognition of management fees and performance fees. Revenue has been recorded in accordance with UK-adopted international accounting standards.

Based on our procedures performed we had no material matters to report to the Audit Committee.

Independent auditor's report to the members of Intermediate Capital Group plc continued

Our application of materiality

We apply the concept of materiality in planning and performing the audit, in evaluating the effect of identified misstatements on the audit and in forming our audit opinion.

Materiality

The magnitude of an omission or misstatement that, individually or in the aggregate, could reasonably be expected to influence the economic decisions of the users of the financial statements. Materiality provides a basis for determining the nature and extent of our audit procedures.

We determined materiality for the Group to be £25.6m (2023: £21.3m), which is 5% (2023: 5%) of normalised profit before tax. Normalised profit before tax is calculated as the sum of the 2024 FMC profit before tax and an average of the IC profit/loss before tax for the past five financial years up to 31 March 2024. Our basis for calculating materiality reflects stakeholder focus on the Group as a fund management business and the year-on-year fluctuations within the IC's profit/loss before tax resulting from movements in investment valuation gains/losses. We believe that normalised profit before tax provides us with an appropriate basis for materiality due to stakeholder focus on the FMC and its contribution to business performance.

We determined materiality for the Parent Company to be £9.0m (2023: £7.8m), which is 1% (2023: 1%) of net assets.

During the course of our audit, we reassessed initial materiality based on 31 March 2024 normalised profit before tax, and net asset value in relation to the Parent Company and adjusted our audit procedures accordingly.

Performance materiality

The application of materiality at the individual account or balance level. It is set at an amount to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds materiality.

On the basis of our risk assessments, together with our assessment of the Group's overall control environment, our judgement was that performance materiality was 50% (2023: 50%) of our planning materiality, namely £12.8m (2023: £10.6m). We have set performance materiality at this percentage due to our observations of the control environment and the misstatements identified in the prior year. In determining performance materiality, we considered our risk assessments, together with our assessment of the Group's overall control environment.

Reporting threshold

An amount below which identified misstatements are considered as being clearly trivial.

We agreed with the Audit Committee that we would report to them all uncorrected audit differences in excess of £1.3 m (2023: £1.1m), which is set at 5% of planning materiality, as well as differences below that threshold that, in our view, warranted reporting on qualitative grounds.

We evaluate any uncorrected misstatements against both the quantitative measures of materiality discussed above and in light of other relevant qualitative considerations in forming our opinion.

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 this 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 the 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, the part of the Directors' Remuneration Report to be audited has been properly prepared in accordance with the Companies Act 2006.

In our opinion, based on the work undertaken in the course of the audit the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements and those reports have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the Group and the Parent Company and their 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 by the Parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the Parent Company financial statements and the part of the Directors' Remuneration Report to be audited are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Independent auditor's report to the members of Intermediate Capital Group plc continued

Corporate Governance Statement

We have reviewed the Directors' statement in relation to going concern, longer-term viability and that part of the Corporate Governance Statement relating to the Group and Parent Company's compliance with the provisions of the UK Corporate Governance Code specified for our review by the Listing Rules.

Based on the work undertaken as part of our audit, we have concluded that each of the following elements of the Corporate Governance Statement is materially consistent with the financial statements or our knowledge obtained during the audit:

- Directors' statement with regards to the appropriateness of adopting the going concern basis of accounting and any material uncertainties identified set out on page 77;
- Directors' explanation as to its assessment of the Group's prospects, the period this assessment covers and why the period is appropriate set out on page 46;
- Directors' statement on whether it has a reasonable expectation that the Group will be able to continue in operation and meet its liabilities set out on page 77;
- Directors' statement on fair, balanced and understandable set out on page 82;
- Board's confirmation that it has carried out a robust assessment of the emerging and principal risks set out on page 41;
- The section of the Annual Report that describes the review of effectiveness of risk management and internal control systems set out on page 91;
- The section describing the work of the Audit Committee set out on pages 85 - 89.

Responsibilities of Directors

As explained more fully in the Directors' responsibilities statement set out on page 82, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

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

However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the Parent Company and management.

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Group and determined that the most significant are those that relate to the reporting framework (UK-adopted international accounting standards, the Companies Act 2006 and UK Corporate Governance Code) and relevant tax compliance regulations. In addition, we concluded that there are certain significant laws and regulations which may have an effect on the determination of the amounts and disclosures in the financial statements, being the Listing Rules of the UK Listing Authority and relevant Financial Conduct Authority ('FCA') rules and regulations.
- We understood how the Group is complying with those frameworks by making enquiries of senior management, including the Chief Financial Officer, General Counsel and Company Secretary, Global Head of Compliance and Risk, Head of Internal Audit and the Chairman of the Audit Committee. We corroborated our understanding through our review of Board and Audit Committee meeting minutes, papers provided to the Audit Committee, and correspondence with regulatory bodies.
- We assessed the susceptibility of the Group's financial statements to material misstatement, including how fraud might occur by discussing with the Audit Committee and management to understand where they considered there was susceptibility to fraud. We considered performance targets and their potential influence on efforts made by management to manage or influence the perceptions of analysts. We considered the controls that the Group has established to address risks identified, or that otherwise prevent, deter and detect fraud, including in a hybrid working environment; and how senior management and those charged with governance monitor these controls. Where the risk was considered to be higher, we performed audit procedures to address each identified fraud risk.
- Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved: inquiries of management, Internal Audit and those responsible for legal and compliance matters. In addition, we performed journal entry testing, with a focus on manual journals and journals indicating large or unusual transactions based on our understanding of the business; enquiries of senior management, and focused testing, as referred to in the Key Audit Matters section above.

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

Independent auditor's report to the members of Intermediate Capital Group plc continued

Other matters we are required to address

- Following the recommendation from the Audit Committee, we were appointed by the Parent Company on 21 July 2020 to audit the financial statements for itself and on behalf of the Group for the year ending 31 March 2021 and subsequent financial periods. Our appointment as auditor was approved by shareholders at the Annual General Meeting on 21 July 2020.
- The period of total uninterrupted engagement including previous renewals and reappointments is four years, covering the years ended 31 March 2021 to 31 March 2024.
- The audit opinion is consistent with the additional report to the Audit Committee.

Use of our report

This report is made solely to the Parent 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 Parent 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 Parent Company and the Parent Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Ernst & Young LLP

Ashley Coups (Senior statutory auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
London

27 May 2024

Consolidated income statement
For the year ended 31 March 2024

	Notes	Year ended 31 March 2024 £m	Year ended 31 March 2023 £m
Fee and other operating income	3	**554.8**	483.6
Finance loss	5	**(10.5)**	(17.1)
Net gains on investments	9	**405.3**	172.5
Total Revenue		**949.6**	639.0
Other income	8	**21.6**	15.5
Finance costs	10	**(49.5)**	(64.6)
Administrative expenses	11	**(390.5)**	(343.3)
Share of results of joint ventures accounted for using the equity method	29	**(0.4)**	4.4
Profit before tax from continuing operations		**530.8**	251.0
Tax charge	13	**(62.4)**	(29.4)
Profit after tax from continuing operations		**468.4**	221.6
Profit/ (loss) after tax on discontinued operations	28	**6.0**	56.8
Profit for the year		**474.4**	278.4
Attributable to:			
Equity holders of the parent		**473.4**	280.6
Non-controlling interests		**1.0**	(2.2)
		474.4	278.4
Earnings per share attributable to ordinary equity holders of the parent			
Basic (pence)	15	**165.5p**	98.2p
Diluted (pence)	15	**162.1p**	97.0p
Earnings per share for profit from continuing operations attributable to ordinary equity holders of the parent			
Basic (pence)	15	**163.4p**	77.6p
Diluted (pence)	15	**160.1p**	76.6p

The accompanying notes 1 to 33 are an integral part of these financial statements.

Consolidated statement of comprehensive income
For the year ended 31 March 2024

Group	Notes	Year ended 31 March 2024 £m	Year ended 31 March 2023 £m
Profit after tax		**474.4**	278.4
Items that may be subsequently reclassified to profit or loss if specific conditions are met			
Exchange differences on translation of foreign operations		**(4.6)**	19.5
Deferred tax on equity investments translation		**(0.2)**	3.9
Total comprehensive income for the year		**469.6**	301.8
Attributable to:			
Equity holders of the parent		**468.6**	304.0
Non-controlling interests		**1.0**	(2.2)
		469.6	301.8

Consolidated statement of financial position

As at 31 March 2024

	Notes	31 March 2024 Group £m	31 March 2023 Group £m
Non-current assets			
Intangible assets	16	**15.0**	14.9
Property, plant and equipment	17	**79.2**	88.2
Investment property	18	**82.7**	0.8
Investment in Joint Venture accounted for under the equity method	29	**–**	5.8
Trade and other receivables	19	**36.1**	37.1
Financial assets at fair value	5	**7,391.5**	7,036.6
Derivative financial assets	5	**4.9**	8.4
Deferred tax asset	13	**36.4**	17.6
		7,645.8	7,209.4
Current assets			
Trade and other receivables	19	**389.6**	232.0
Current tax debtor		**19.1**	57.0
Financial assets at fair value	5	**73.2**	4.7
Derivative financial assets	5	**4.4**	13.6
Cash and cash equivalents	6	**990.0**	957.5
		1,476.3	1,264.8
Assets of disposal groups held for sale	28	**–**	578.3
Total assets		**9,122.1**	9,052.5

	Notes	31 March 2024 Group £m	31 March 2023 Group £m
Non-current liabilities			
Trade and other payables	20	**66.0**	71.1
Financial liabilities at fair value	5, 7	**4,602.3**	4,572.7
Financial liabilities at amortised cost	7	**1,197.0**	1,478.2
Other financial liabilities	7	**99.2**	79.6
Derivative financial liabilities	5, 7	**–**	0.9
Deferred tax liabilities	13	**22.4**	35.5
		5,986.9	6,238.0
Current liabilities			
Trade and other payables	20	**529.2**	471.4
Current tax creditor		**37.8**	14.8
Financial liabilities at amortised cost	7	**250.4**	58.5
Other financial liabilities	7	**8.9**	5.8
Derivative financial liabilities	5, 7	**9.2**	14.8
		835.5	565.3
Liabilities of disposal groups held for sale	28	**–**	204.0
Total liabilities		**6,822.4**	7,007.3
Equity and reserves			
Called up share capital	22	**77.3**	77.3
Share premium account	22	**181.3**	180.9
Other reserves		**55.8**	19.0
Retained earnings		**1,987.5**	1,742.6
Equity attributable to owners of the Company		**2,301.9**	2,019.8
Non-controlling interest		**(2.2)**	25.4
Total equity		**2,299.7**	2,045.2
Total equity and liabilities		**9,122.1**	9,052.5

The accompanying notes 1 to 33 are an integral part of these financial statements.

The financial statements of Intermediate Capital Group plc (Company Registration Number: 02234775) were approved and authorised for issue by the Board of Directors on 27 May 2024 and were signed on its behalf by:

Benoît Durteste
Chief Executive Officer

David Bicarregui
Chief Financial Officer

Consolidated statement of cash flows
For the year ended 31 March 2024

	Notes	Year ended 31 March 2024 Group £m	Year ended 31 March 2023 Group £m
Cash flows generated from operations		**297.1**	324.0
Taxes paid		**(41.2)**	(32.4)
Net cash flows from operating activities	31	**255.9**	291.6
Investing activities			
Purchase of intangible assets	16	**(6.3)**	(4.7)
Purchase of property, plant and equipment	17	**(3.2)**	(6.5)
Net cash flow from derivative financial instruments		**31.5**	(58.8)
Cash flow as a result of change in control of subsidiary		**49.5**	200.8
Net cash flows from investing activities		**71.5**	130.8
Financing activities			
Purchase of own shares	23	**–**	(38.9)
Payment of principal portion of lease liabilities	7	**(8.4)**	(6.8)
Repayment of long-term borrowings		**(50.7)**	(194.6)
Dividends paid to equity holders of the parent	14	**(223.4)**	(236.4)
Net cash flows used in financing activities		**(282.5)**	(476.7)
Net increase/(decrease) in cash and cash equivalents		**44.9**	(54.3)
Effects of exchange rate differences on cash and cash equivalents		**(12.4)**	20.0
Cash and cash equivalents at 1 April	6	**957.5**	991.8
Cash and cash equivalents at 31 March	6	**990.0**	957.5

The Group's cash and cash equivalents include £362.6m (2023: £407.5m) of restricted cash held principally by structured entities controlled by the Group (see note 6).

The accompanying notes 1 to 33 are an integral part of these financial statements.

Consolidated statement of changes in equity
For the year ended 31 March 2024

Group	Share capital (note 22) £m	Share premium (note 22) £m	Other reserves: Capital redemption reserve[1] £m	Other reserves: Share-based payments reserve (note 24) £m	Other reserves: Own shares[3] (note 23) £m	Other reserves: Foreign currency translation reserve2 £m	Retained earnings £m	Total £m	Non-controlling interest £m	Total equity £m
Balance at 1 April 2023	**77.3**	**180.9**	**5.0**	**73.3**	**(103.4)**	**44.1**	**1,742.6**	**2,019.8**	**25.4**	**2,045.2**
Profit after tax	–	–	–	–	–	–	473.4	473.4	1.0	474.4
Exchange differences on translation of foreign operations	–	–	–	–	–	(4.6)	–	(4.6)	–	(4.6)
Deferred tax on equity investments translation	–	–	–	–	–	(0.2)	–	(0.2)	–	(0.2)
Total comprehensive income/(expense) for the year	**–**	**–**	**–**	**–**	**–**	**(4.8)**	**473.4**	**468.6**	**1.0**	**469.6**
Adjustment of non-controlling interest on disposal of subsidiary	–	–	–	–	–	–	–	–	(28.6)	(28.6)
Issue of share capital	0.0	–	–	–	–	–	–	0.0	–	0.0
Options/awards exercised[4]	–	0.4	–	(33.7)	24.2	–	(5.1)	(14.2)	–	(14.2)
Tax on options/awards exercised	–	–	–	7.2	–	–	–	7.2	–	7.2
Credit for equity settled share schemes	–	–	–	43.9	–	–	–	43.9	–	43.9
Dividends paid (note 14)	–	–	–	–	–	–	(223.4)	(223.4)	–	(223.4)
Balance at 31 March 2024	**77.3**	**181.3**	**5.0**	**90.7**	**(79.2)**	**39.3**	**1,987.5**	**2,301.9**	**(2.2)**	**2,299.7**

Group	Share capital (note 22) £m	Share premium (note 22) £m	Other reserves: Capital redemption reserve[1] £m	Other reserves: Share-based payments reserve (note 24) £m	Other reserves: Own shares[3] (note 23) £m	Other reserves: Foreign currency translation reserve[2] £m	Retained earnings £m	Total £m	Non-controlling interest £m	Total equity £m
Balance at 1 April 2022	**77.3**	**180.3**	**5.0**	**67.5**	**(93.0)**	**20.7**	**1,714.0**	**1,971.8**	**30.0**	**2,001.8**
Profit after tax	–	–	–	–	–	–	280.6	280.6	(2.2)	278.4
Exchange differences on translation of foreign operations	–	–	–	–	–	19.5	–	19.5	–	19.5
Deferred tax on equity investments translation	–	–	–	–	–	3.9	–	3.9	–	3.9
Total comprehensive income/(expense) for the year	**–**	**–**	**–**	**–**	**–**	**23.4**	**280.6**	**304.0**	**(2.2)**	**301.8**
Adjustment of non-controlling interest on disposal of subsidiary	–	–	–	–	–	–	(1.3)	(1.3)	(31.1)	(32.4)
Acquisition of non-controlling interest	–	–	–	–	–	–	–	–	28.7	28.7
Issue of share capital	0.0	–	–	–	–	–	–	0.0	–	0.0
Own shares acquired in the year	–	–	–	–	(38.9)	–	–	(38.9)	–	(38.9)
Options/awards exercised[4]	–	0.6	–	(31.3)	28.5	–	(14.3)	(16.5)	–	(16.5)
Tax on options/awards exercised	–	–	–	(2.4)	–	–	–	(2.4)	–	(2.4)
Credit for equity settled share schemes	–	–	–	39.5	–	–	–	39.5	–	39.5
Dividends paid (note 14)	–	–	–	–	–	–	(236.4)	(236.4)	–	(236.4)
Balance at 31 March 2023	**77.3**	**180.9**	**5.0**	**73.3**	**-103.4**	**44.1**	**1742.6**	**2019.8**	**25.4**	**2045.2**

1. The capital redemption reserve is a reserve created when a company buys its own shares which reduces its share capital. £1.4m of the balance relates to the conversion of ordinary shares and convertible shares into ordinary shares in 1994. The remaining £3.6m relates to the cancellation of treasury shares in 2015.
2. Other comprehensive income/(expense) reported in the foreign currency translation reserve represents foreign exchange gains and losses on the translation of subsidiaries reporting in currencies other than sterling.
3. The movement in the Group Own shares reserve in respect of Options/awards exercised, represents the employee shares vesting net of personal taxes and social security.
4. The associated personal taxes and social security liabilities are settled by the Group with the equivalent value of shares retained in the Own shares reserve.

The accompanying notes 1 to 33 are an integral part of these financial statements.

Parent company statement of financial position

For the year ended 31 March 2024

	Notes	31 March 2024 Company £m	31 March 2023 Company £m
Non-current assets			
Intangible assets	16	**9.7**	9.2
Property, plant and equipment	17	**39.0**	44.0
Investment in subsidiaries	27	**1,919.4**	1,868.9
Trade and other receivables	19	**758.7**	766.3
Financial assets at fair value	5	**243.0**	288.7
Derivative financial assets	5	**4.9**	8.4
		2,974.7	2,985.5
Current assets			
Trade and other receivables	19	**37.3**	210.5
Current tax debtor		**40.4**	35.3
Derivative financial assets	5	**4.4**	13.6
Cash and cash equivalents	6	**464.4**	409.8
		546.5	669.2
Total assets		**3,521.2**	3,654.7

	Notes	31 March 2024 Company £m	31 March 2023 Company £m
Non-current liabilities			
Trade and other payables	20	**0.3**	71.3
Financial liabilities at amortised cost	7	**1,197.0**	1,478.2
Other financial liabilities	7	**34.9**	39.3
Derivative financial liabilities	5, 7	**–**	0.9
Deferred tax liabilities	13	**7.7**	2.9
		1,239.9	1,592.6
Current liabilities			
Trade and other payables	20	**1,120.8**	1,158.7
Financial liabilities at amortised cost	7	**250.4**	58.5
Other financial liabilities	7	**4.4**	4.3
Derivative financial liabilities	5, 7	**9.2**	14.8
		1,384.8	1,236.3
Total liabilities		**2,624.7**	2,828.9
Equity and reserves			
Called up share capital	22	**77.3**	77.3
Share premium account	22	**181.3**	180.9
Other reserves		**54.7**	44.5
Retained earnings		**583.2**	523.1
Equity attributable to owners of the Company		**896.5**	825.8
Total equity		**896.5**	825.8
Total equity and liabilities		**3,521.2**	3,654.7

The Parent Company's total profit for the year was £283.5m (2023: Profit of £109.5m).
The accompanying notes 1 to 33 are an integral part of these financial statements.

The financial statements of Intermediate Capital Group plc (Company Registration Number: 02234775) were approved and authorised for issue by the Board of Directors on 27 May 2024 and were signed on its behalf by:

Benoît Durteste
Chief Executive Officer

David Bicarregui
Chief Financial Officer

Parent company statement of cash flows
For the year ended 31 March 2024

	Notes	Year ended 31 March 2024 Company £m	Year ended 31 March 2023 Company £m
Cash flows used in operations		**(136.8)**	(314.3)
Taxes paid		**(24.2)**	(20.8)
Net cash flows used in operating activities	31	**(161.0)**	(335.1)
Investing activities			
Purchase of intangible assets	16	**(6.2)**	(3.6)
Purchase of property, plant and equipment	17	**(0.6)**	(0.7)
Net cash flow from derivative financial instruments		**31.4**	(58.8)
Cash paid in respect of Group investing activities (acquisition of long-term assets)		**(369.1)**	(216.6)
Cash received in respect of Group investing activities (proceeds from long-term assets)		**505.2**	109.5
Advances to subsidiaries		**(7.2)**	(147.7)
Receipts from subsidiaries		**4.1**	–
Net cash flows from/(used) in investing activities		**157.6**	(317.9)
Financing activities			
Payment of principal portion of lease liabilities	7	**(5.8)**	(4.1)
Repayment of long-term borrowings		**(50.7)**	(194.6)
Dividends paid to equity holders of the parent	14	**(223.4)**	(236.4)
Advances received from subsidiaries		**560.9**	483.2
Repayment of amounts owed to subsidiaries		**(373.0)**	(239.7)
Advances received from subsidiaries (receipts of proceeds from long-term assets)		**149.3**	543.8
Net cash flows from financing activities		**57.3**	352.2
Net increase/(decrease) in cash and cash equivalents		**53.9**	(300.8)
Effects of exchange rate differences on cash and cash equivalents		**0.7**	3.5
Cash and cash equivalents at 1 April	6	**409.8**	707.1
Cash and cash equivalents at 31 March	6	**464.4**	409.8

The accompanying notes 1 to 33 are an integral part of these financial statements.

Parent company statement of changes in equity
For the year ended 31 March 2024

Company	Share capital (note 22) £m	Share premium (note 22) £m	Other reserves: Capital redemption reserve[1] £m	Other reserves: Share-based payments reserve (note 24) £m	Other reserves: Own shares (note 23) £m	Retained earnings £m	Total equity £m
Balance at 1 April 2023	**77.3**	**180.9**	**5.0**	**60.8**	**(21.3)**	**523.1**	**825.8**
Profit after tax	–	–	–	–	–	283.5	283.5
Total comprehensive income for the year						283.5	283.5
Issue of share capital	0.0	–	–	–	–	–	–
Options/awards exercised	–	0.4	–	(33.7)	–	–	(33.3)
Credit for equity settled share schemes	–	–	–	43.9	–	–	43.9
Dividends paid (note 14)	–	–	–	–	–	(223.4)	(223.4)
Balance at 31 March 2024	**77.3**	**181.3**	**5.0**	**71.0**	**(21.3)**	**583.2**	**896.5**

Company	Share capital (note 22) £m	Share premium (note 22) £m	Other reserves: Capital redemption reserve[1] £m	Other reserves: Share-based payments reserve (note 24) £m	Other reserves: Own shares (note 23) £m	Retained earnings £m	Total equity £m
Balance at 1 April 2022	**77.3**	**180.3**	**5.0**	**52.6**	**(21.3)**	**650.0**	**943.9**
Profit after tax	–	–	–	–	–	109.5	109.5
Total comprehensive income for the year						109.5	109.5
Issue of share capital	0.0	–	–	–	–	–	–
Options/awards exercised	–	0.6	–	(31.3)	–	–	(30.7)
Credit for equity settled share schemes	–	–	–	39.5	–	–	39.5
Dividends paid (note 14)	–	–	–	–	–	(236.4)	(236.4)
Balance at 31 March 2023	**77.3**	**180.9**	**5.0**	**60.8**	**(21.3)**	**523.1**	**825.8**

1. The capital redemption reserve is a reserve created when a company buys its own shares which reduces its share capital. This reserve is not distributable to shareholders. £1.4m of the balance relates to the conversion of ordinary shares and convertible shares into ordinary shares in 1994. The remaining £3.6m relates to the cancellation of treasury shares in 2015.

The accompanying notes 1 to 33 are an integral part of these financial statements.

Notes to the financial statements

1. General information and basis of preparation

General information

Intermediate Capital Group plc (the 'Parent Company', 'Company' or 'ICG plc') is a public company limited by shares, incorporated, domiciled and registered in England and Wales under the Companies Act, with the company registration number 02234775. The registered office is Procession House, 55 Ludgate Hill, New Bridge Street, London EC4M 7JW.

The consolidated financial statements for the year to 31 March 2024 comprise the financial statements of the Parent Company and its consolidated subsidiaries (collectively, the 'Group'). The nature of the Group's operations and its principal activities are detailed in the Strategic Report.

Basis of preparation

The consolidated financial statements of the Group and Company are prepared in accordance with UK-adopted international accounting standards ('UK-adopted IAS') and, as regards the Parent Company financial statements, as applied in accordance with the provisions of the Companies Act 2006. The Company has taken advantage of section 408 of the Companies Act 2006 not to present the Parent Company profit and loss account.

The financial statements have been prepared on a going concern basis and under the historical cost convention, except for financial instruments and investment property that are measured at fair value through profit and loss at the end of the reporting period, as detailed in note 5 and note 18, respectively, and certain investments in associates and joint ventures held for venture capital purposes, as detailed in note 29.

In the application of the Group's accounting policies, the Directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The judgements, estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. Details of the critical judgements made, and key sources of estimation uncertainty, are included in note 1 and in the note to which the critical judgement or source of estimation uncertainty relates.

In preparing the financial statements, the Directors have considered the impact of potential climate-related risks on a number of key estimates within the financial statements, including:

- the valuation of financial assets; and
- the application of the Group's revenue recognition policy, primarily the impact on the net asset value ('NAV') of funds on which performance-related fees are generated.

Overall, the Directors concluded that climate-related risks do not have a material impact on the financial reporting judgements and estimates in the current year. This reflects the conclusion that climate change is not expected to have a significant impact on the Group's short-term cash flows including those considered in the going concern and viability assessments.

The accounting policies as set out in the notes to the accounts have been applied consistently to all periods presented in these consolidated financial statements.

Basis of consolidation

The Group's financial statements consolidate the results of Intermediate Capital Group plc and entities controlled by the Company for the period to 31 March each year. Control is achieved when the Company has power over the relevant activities of the investee, exposure to variable returns from the investee, and the ability to affect those returns through its power over the investee.

The assessment of control is based on all relevant facts and circumstances and the Group reassesses its conclusion if there is an indication that there are changes in facts and circumstances. Subsidiaries are included in the consolidated financial statements from the date that control commences, until the date that control ceases. See note 27 which lists the Group's subsidiaries and controlled structured entities.

Each component of other comprehensive income and profit or loss is attributed to the owners of the Company and to the non-controlling interests.

Adjustments are made where required to the financial statements of subsidiaries for consistency with the accounting policies of the Group. All intra-group transactions, balances, unrealised income and expenses are eliminated on consolidation.

Notes to the financial statements continued

1. General information and basis of preparation continued

Key accounting judgements and estimates in the application of accounting policies

Key accounting judgements

In preparing the financial statements, apart from those involving estimations, two key accounting judgements have been made by the Directors in the application of the Group's accounting policies which have the most significant effect on the amounts recognised in the consolidated financial statements:

i. The Group's assessment as to whether it controls certain investee entities, including third-party funds and carried interest partnerships, and is therefore required to consolidate the investee, as detailed above. The Group's assessment of this critical judgement is discussed further in note 27.
ii. The application of the Group's revenue recognition policy in respect of the performance fee component of management fees. Judgement is primarily applied in considering the timings of when expected performance conditions will be met and the appropriate constraint to be applied. The Group's assessment of this key accounting judgement is discussed further in note 3.

Key sources of estimation uncertainty

The key sources of estimation uncertainty at the reporting date, that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, results from the Group's assessment of fair value of its financial assets and liabilities (discussed further in note 5 and note 7) and the impact of this assessment on trade and other payables related to the Deal Vintage Bonus ('DVB') – see notes 12 and 20.

Key accounting judgements and the Group's assessment of fair value of its financial assets and liabilities are reviewed by the Audit Committee during the year and its involvement in the process is included in its report on page 84.

Foreign currencies

The functional currency of the Company is sterling as the Company's shares are denominated in sterling and the Company's costs are primarily incurred in sterling. The Group has determined the presentational currency of the Group is the functional currency of the Company. Information is presented to the nearest million (£m).

Transactions denominated in foreign currencies are translated using the exchange rates prevailing at the date of the transactions. At each reporting date, monetary assets and liabilities denominated in a foreign currency are retranslated at the rates prevailing at the reporting date. Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are translated at the rate prevailing at the date the fair value was determined. Non-monetary items that are measured at historical cost are translated using rates prevailing at the date of the transaction.

The assets and liabilities of the Group's foreign operations are translated using the exchange rates prevailing at the reporting date. Income and expense items are translated using the average exchange rates during the year. Exchange differences arising from the translation of foreign operations are taken directly to the foreign currency translation reserve. On disposal of a foreign operation, exchange differences previously recognised in other comprehensive income are reclassified to the income statement.

Going concern

The financial statements are prepared on a going concern basis, as the Board is satisfied that the Group have the resources to continue in business for a period of at least 18 months from approval of the financial statements.

In assessing the Group's ability to continue in its capacity as a going concern, the Board considered a wide range of information relating to present and future projections of profitability and liquidity. The assessment also incorporates internally generated stress tests, including reverse stress testing, on key areas including fund performance risk and external environmental risk. The stress tests used were based upon an assessment of reasonably possible downside economic scenarios that the Group could be exposed to. Further information can be found in the Viability Statement on page 46.

The review showed the Group has sufficient liquidity in place to support its business operations for the foreseeable future. Accordingly, the Directors have a reasonable expectation the Group has resources to continue as a going concern to 30 November 2025, an 18 month period from the date of approval of the financial statements.

2. Changes in accounting policies and disclosures

New and amended standards and interpretations

The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Group's financial statements are disclosed below. The Group intends to adopt these standards, if applicable, when they become effective. These new standards are not expected to have a material impact on the Group. No new standard implemented during the year had a material impact on the Group financial statements.

IFRS/IAS		Accounting periods commencing on or after
IAS 12	International Tax Reform - Pillar Two Model Rules	1 January 2024
IAS 1	Classification of Liabilities as Current or Non-current	1 January 2024
IAS 1	Non-current Liabilities with Covenants	1 January 2024
IFRS 16	Lease Liability in a Sale and Leaseback	1 January 2024
IAS 7 and IFRS 7	Supplier finance arrangements	1 January 2024

Changes in material accounting policy information

No changes to material accounting policies were implemented.

Notes to the financial statements continued

3. Revenue

Revenue and its related cash flows, within the scope of IFRS 15 'Revenue from Contracts with Customers', are derived from the Group's fund management company activities and are presented net of any consideration payable to a customer in the form of rebates. The significant components of the Group's fund management revenues are as follows:

Type of contract/service	Year ended 31 March 2024 £m	Year ended 31 March 2023 £m
Management fees[1]	552.7	481.6
Other income	2.1	2.0
Fee and other operating income	**554.8**	**483.6**

1. Included within management fees is £76.2m (2023: £22.4m) of performance related fees.

Management fees

The Group earns management fees from its investment management services. Management fees are charged on third-party capital managed by the Group and are based on an agreed percentage of either committed capital, invested capital or NAV, dependent on the fund. Management fees comprise both non-performance and performance-related fee elements related to one contract obligation. Non-performance-related management fees for the year of £476.5m (2023: £459.2m) are charged in arrears and are recognised in the period services are performed.

Performance-related management fees ('performance fees') are recognised only to the extent it is highly probable that there will not be a significant reversal of the revenue recognised in the future. This is generally towards the end of the contract period or upon early liquidation of a fund. The estimate of performance fees is made with reference to the liquidation profile of the fund, which factors in portfolio exits and timeframes. For certain funds the estimate of performance fees is made with reference to specific requirements. A constraint is applied to the estimate to reflect uncertainty of future fund performance. Performance fees of £76.2m (2023: £22.4m) have been recognised in the year. Performance fees will only be crystallised and received in cash when the relevant fund performance hurdle is met.

There are no other individually significant components of revenue from contracts with customers.

Key accounting judgement

A key judgement for the Group is whether performance fees will meet their expected performance conditions within the expected timeframes. The Group bases its assessment on the best available information pertaining to the funds and the activity of the underlying assets within that fund. The valuation of the underlying assets within a fund will be subject to fluctuations in the future, including the impact of macroeconomic factors outside the Group's control. The information on which this judgement is based is the liquidation NAV of the relevant funds (which are subject to annual audit).

The Directors base their projected views on a 24-month look-forward basis, the 'forecast period', from the year end. The Directors believe they have a reasonable basis on which to judge expected exits and value within a 24-month horizon, but not beyond that.

Within this forecast period, the Directors will consider funds that have either reached their hurdle rate or are expected to reach the hurdle rate in the forecast period. In determining whether a fund is expected to reach the hurdle rate, the key inputs are the latest expected repayment dates of the underlying assets and expected proceeds on realisation, as approved by the Fund Investment Committees.

Where the hurdle date is expected to be reached within 24 months of the year end but performance fees are not yet paid, a constraint will be applied within the determination of the performance fee receivable. Application of the constraint limits the revenue recognised. This is assessed on a case-by-case basis.

The weighted-average constraint at the reporting date is 56% (2023: 43%). If the average constraint were to increase by 10 percentage points to 66% (2023: 53%) this would result in a reduction in revenue of £15.88m (2023: £1.13m). Conversely, a 10% decrease in constraint would result in an increase in revenue of £15.88m (2023: £1.13m) being recognised in the income statement. In certain limited circumstances performance fees received may be subject to clawback provisions if the performance of the fund deteriorates materially following the receipt of performance fees.

Notes to the financial statements continued

4. Segmental reporting

For management purposes, the Group is organised into two operating segments, the Fund Management Company ('FMC') and the Investment Company ('IC') which are also reportable segments. In identifying the Group's reportable segments, management considered the basis of organisation of the Group's activities, the economic characteristics of the operating segments, and the type of products and services from which each reportable segment derives its revenues. Total reportable segment figures are alternative performance measures ('APM').

The Executive Directors, the chief operating decision makers, monitor the operating results of the FMC and the IC for the purpose of making decisions about resource allocation and performance assessment. The Group does not aggregate the FMC and IC as those segments do not have similar economic characteristics. Information about these segments is presented below.

The FMC earns fee income for the provision of investment management services and recognises the fair value movement on any associated hedging derivatives and incurs the majority of the Group's costs in delivering these services, including the cost of the investment teams and the cost of support functions, primarily marketing, operations, information technology and human resources.

The IC is charged a management fee of 1% of the carrying value of the average balance sheet investment portfolio by the FMC and this is shown below as the Inter-segmental fee. It also recognises the fair value movement on any hedging derivatives. The costs of finance, treasury and legal teams, and other Group costs primarily related to being a listed entity, are allocated to the IC. The remuneration of the Executive Directors is allocated equally to the FMC and the IC.

The amounts reported for management purposes in the tables below are reconciled to the UK-adopted IAS reported amounts on the following pages.

	Year ended 31 March 2024			Year ended 31 March 2023		
	FMC £m	IC £m	Reportable segments Total £m	FMC £m	IC £m	Reportable segments Total £m
External fee income	579.1	–	579.1	501.0	2.6	503.6
Inter-segmental fee	25.0	(25.0)	–	25.0	(25.0)	–
Other operating income	0.9	1.0	1.9	0.5	1.7	2.2
Fund management fee income	**605.0**	**(24.0)**	**581.0**	**526.5**	**(20.7)**	**505.8**
Net investment returns	–	379.3	379.3	–	102.3	102.3
Dividend income	47.0	–	47.0	40.2	–	40.2
Net fair value (loss)/gain on derivatives	–	(7.3)	(7.3)	(26.8)	16.8	(10.0)
Total revenue	**652.0**	**348.0**	**1,000.0**	**539.9**	**98.4**	**638.3**
Interest income	–	21.5	21.5	–	13.9	13.9
Interest expense	(2.2)	(45.8)	(48.0)	(2.2)	(61.8)	(64.0)
Staff costs	(101.0)	(21.4)	(122.4)	(85.0)	(20.0)	(105.0)
Incentive scheme costs	(113.3)	(58.6)	(171.9)	(92.2)	(59.6)	(151.8)
Other administrative expenses	(61.0)	(20.4)	(81.4)	(49.8)	(23.5)	(73.3)
Profit before tax and discontinued operations	**374.5**	**223.3**	**597.8**	**310.7**	**(52.6)**	**258.1**

Reconciliation of APM amounts reported for management purposes to the financial statements reported under UK-adopted IAS

Included in the following tables within Consolidated entities are statutory adjustments made to the following. The impact of these adjustments on profit before tax is shown in the table on the following page:

- All income generated from the balance sheet investment portfolio is presented as net investment returns for Reportable segments purposes, under UK-adopted IAS it is presented within gains on investments and other operating income.
- Structured entities controlled by the Group are presented as fair value investments for Reportable segments, these entities are consolidated under UK-adopted IAS within Consolidated entities.
- Seed investments are presented as current financial assets for Reportable segments, these assets are presented under UK-adopted IAS as current financial assets, non-current financial assets or investment property within Consolidated entities.
- Other adjustments necessary to comply with UK-adopted IAS, including in respect of a fair value gain of £60m recognised in FY23 within Consolidated entities and subsequently recognised in FY24 within Reportable segments as this asset is now expected to be sold to a third party and not transferred to a fund.

Notes to the financial statements continued

4. Segmental reporting continued

Consolidated income statement

	Year ended 31 March 2024			Year ended 31 March 2023		
	Reportable segments £m	Consolidated entities £m	Financial statements £m	Reportable segments £m	Consolidated entities £m	Financial statements £m
Fund management fee income	579.1	(26.4)	552.7	503.6	(22.0)	481.6
Other operating income	1.9	0.2	2.1	2.2	(0.2)	2.0
Fee and other income	**581.0**	**(26.2)**	**554.8**	**505.8**	**(22.2)**	**483.6**
Dividend income	47.0	(47.0)	–	40.2	(40.2)	–
Net fair value loss on derivatives	(7.3)	(3.2)	(10.5)	(10.0)	(7.1)	(17.1)
Finance income/(loss)	**39.7**	**(50.2)**	**(10.5)**	**30.2**	**(47.3)**	**(17.1)**
Net investment returns/gains on investments	**379.3**	**26.0**	**405.3**	**102.3**	**70.2**	**172.5**
Total revenue	**1,000.0**	**(50.4)**	**949.6**	**638.3**	**0.7**	**639.0**
Other income	**21.5**	**0.1**	**21.6**	**13.9**	**1.6**	**15.5**
Finance costs	**(48.0)**	**(1.5)**	**(49.5)**	**(64.0)**	**(0.6)**	**(64.6)**
Staff costs	(122.4)	–	(122.4)	(105.0)	(0.1)	(105.1)
Incentive scheme costs	(171.9)	–	(171.9)	(151.8)	0.2	(151.6)
Other administrative expenses	(81.4)	(14.8)	(96.2)	(73.3)	(13.3)	(86.6)
Administrative expenses	**(375.7)**	**(14.8)**	**(390.5)**	**(330.1)**	**(13.2)**	**(343.3)**
Share of results of joint ventures accounted for using equity method	**–**	**(0.4)**	**(0.4)**	**–**	**4.4**	**4.4**
Profit before tax and discontinued operations	**597.8**	**(67.0)**	**530.8**	**258.1**	**(7.1)**	**251.0**
Tax charge	(78.5)	16.1	(62.4)	(28.8)	(0.6)	(29.4)
Profit after tax from discontinued operations	**–**	**6.0**	**6.0**	**–**	**56.8**	**56.8**
Profit after tax and discontinued operations	**519.3**	**(44.9)**	**474.4**	**229.3**	**49.1**	**278.4**

Notes to the financial statements continued

4. Segmental reporting continued

Consolidated statement of financial position

	2024			2023		
Year ended 31 March 2024	Reportable segments £m	Consolidated entities £m	Financial statements £m	Reportable segments £m	Consolidated entities £m	Financial statements £m
Non-current financial assets	2,713.7	4,682.7	7,396.4	2,642.2	4,402.8	7,045.0
Other non-current assets	166.5	82.9	249.4	158.4	6.0	164.4
Cash	627.4	362.6	990.0	550.0	407.5	957.5
Current financial assets	366.6	(289.0)	77.6	282.4	(264.1)	18.3
Other current assets	299.1	109.6	408.7	243.7	623.6	867.3
Total assets	**4,173.3**	**4,948.8**	**9,122.1**	**3,876.7**	**5,175.8**	**9,052.5**
Non-current financial liabilities	1,266.4	4,632.1	5,898.5	1,558.0	4,573.4	6,131.4
Other non-current liabilities	87.3	1.1	88.4	104.5	2.1	106.6
Current financial liabilities	268.4	0.1	268.5	79.1	–	79.1
Other current liabilities	255.8	311.2	567.0	157.7	532.5	690.2
Total liabilities	**1,877.9**	**4,944.5**	**6,822.4**	**1,899.3**	**5,108.0**	**7,007.3**
Equity	2,295.4	4.3	2,299.7	1,977.4	67.8	2,045.2
Total equity and liabilities	**4,173.3**	**4,948.8**	**9,122.1**	**3,876.7**	**5,175.8**	**9,052.5**

Notes to the financial statements continued

4. Segmental reporting continued

Consolidated statement of cash flows

	2024		
	Reportable segments £m	Consolidated entities £m	Financial Statements £m
Profit/(loss) before tax from continuing operations	597.8	(67.0)	530.8
Adjustments for non-cash items:			
Fee and other operating (income)/expense	(581.0)	26.2	(554.8)
Net investment returns	(379.3)	(26.0)	(405.3)
Net fair value (gain)/loss on derivatives	(23.5)	0.7	(22.8)
Impact of movement in foreign exchange rates	30.9	2.4	33.3
Interest income	(68.5)	46.9	(21.6)
Interest expense	48.0	1.5	49.5
Depreciation, amortisation and impairment of property, plant, equipment and intangible assets	18.0	–	18.0
Share-based payment expense	43.9	–	43.9
Working capital changes:			
Increase in trade receivables	(8.5)	(80.2)	(88.7)
Increase/(decrease) in trade and other payables	50.5	(68.2)	(17.7)
	(271.7)	(163.7)	(435.4)
Proceeds from sale of current financial assets and disposal groups held for sale	319.2	–	319.2
Purchase of current financial assets and disposal groups held for sale	(312.1)	–	(312.1)
Purchase of investments	(322.5)	(1,407.2)	(1,729.7)
Proceeds from sales and maturities of investments	403.0	1,830.1	2,233.1
Redemption of CLO notes1	–	(389.1)	(389.1)
Interest and dividend income received	122.2	372.0	494.2
Fee and other operating income received	492.0	4.4	496.4
Interest paid	(49.3)	(330.2)	(379.5)
Cash flow generated from/(used in) operations	380.8	(83.7)	297.1
Taxes paid	(41.2)	–	(41.2)
Net cash flows from/(used in) operating activities	339.6	(83.7)	255.9

	2024		
	Reportable segments £m	Consolidated entities £m	Financial Statements £m
Investing activities			
Purchase of intangible assets	(6.3)	–	(6.3)
Purchase of property, plant and equipment	(3.2)	–	(3.2)
Net cash flow from derivative financial instruments	31.5	–	31.5
Cash flow as a result of acquisition of subsidiaries	–	49.5	49.5
Net cash flows from investing activities	22.0	49.5	71.5
Financing activities			
Payment of principal portion of lease liabilities	(8.4)	–	(8.4)
Repayment of long-term borrowings	(50.7)	–	(50.7)
Dividends paid to equity holders of the parent	(223.4)	–	(223.4)
Net cash flows used in financing activities	(282.5)	–	(282.5)
Net increase/decrease in cash and cash equivalents	79.1	(34.2)	44.9
Effects of exchange rate differences on cash and cash equivalents	(1.7)	(10.7)	(12.4)
Cash and cash equivalents at 1 April	550.0	407.5	957.5
Cash and cash equivalents at 31 March	627.4	362.6	990.0

1. The prior period has been re-presented to separately disclose the gross amounts of issuance and redemption of CLO notes, previously included within the "Purchase of Investment" and "Proceeds from sales and maturities of investments" lines respectively.

Notes to the financial statements continued

4. Segmental reporting continued

	2023		
	Reportable segments £m	Consolidated entities £m	Financial Statements £m
Profit/(loss) before tax from continuing operations	**258.1**	**(7.1)**	**251**
Adjustments for non-cash items:			
Fee and other operating (income)/expense	(505.8)	22.2	(483.6)
Net investment returns	(102.3)	(70.2)	(172.5)
Net fair value loss on derivatives	34.9	–	34.9
Impact of movement in foreign exchange rates	(24.9)	7.1	(17.8)
Interest income	(13.9)	(1.6)	(15.5)
Interest expense	64.0	0.6	64.6
Depreciation, amortisation and impairment of property, plant, equipment and intangible assets	18.2	–	18.2
Share-based payment expense	39.5	0	39.5
Change in disposal groups held for sale	–	(8.8)	(8.8)
Working capital changes:			
(Increase)/decrease in trade receivables	(48.3)	36.3	(12.0)
Decrease in trade and other payables	(41.3)	(155.6)	(196.9)
	(321.8)	**(177.1)**	**(498.9)**
Proceeds from sale of current financial assets and disposal groups held for sale	45.5	–	45.5
Purchase of current financial assets and disposal groups held for sale	(211.9)	–	(211.9)
Purchase of investments	(453.8)	(920.8)	(1,374.6)
Proceeds from sales and maturities of investments	689.4	1,032.4	1,721.8
Issuance of CLO notes1	–	0.4	0.4
Redemption of CLO notes1	–	(45.6)	(45.6)
Interest and dividend income received	106.8	256.0	362.8
Fee and other operating income received	573.3	14.6	587.9
Interest paid	(63.5)	(199.9)	(263.4)
Cash flow generated from/(used in) operations	**363.9**	**(39.9)**	**324.0**
Taxes paid	(32.4)	–	(32.4)
Net cash flows from/(used in) operating activities	**331.5**	**(39.9)**	**291.6**

	2023		
	Reportable segments £m	Consolidated entities £m	Financial Statements £m
Investing activities			
Purchase of intangible assets	(4.7)	–	(4.7)
Purchase of property, plant and equipment	(6.5)	–	(6.5)
Net cash flow from derivative financial instruments	(58.8)	–	(58.8)
Cash flow as a result of acquisition of subsidiaries	–	200.8	200.8
Net cash flows (used in)/from investing activities	**(70.0)**	**200.8**	**130.8**
Financing activities			
Purchase of Own Shares	(38.9)	–	(38.9)
Payment of principal portion of lease liabilities	(6.8)	–	(6.8)
Repayment of long-term borrowings	(194.6)	–	(194.6)
Dividends paid to equity holders of the parent	(236.4)	–	(236.4)
Net cash flows used in financing activities	**(476.7)**	**–**	**(476.7)**
Net (decrease)/increase in cash and cash equivalents	(215.2)	160.9	(54.3)
Effects of exchange rate differences on cash and cash equivalents	3.7	16.3	20.0
Cash and cash equivalents at 1 April	761.5	230.3	991.8
Cash and cash equivalents at 31 March	**550.0**	**407.5**	**957.5**

1. The prior period has been re-presented to separately disclose the gross amounts of issuance and redemption of CLO notes, previously included within the "Purchase of Investment" and "Proceeds from sales and maturities of investments" lines respectively.

Notes to the financial statements continued

4. Segmental reporting continued

Geographical analysis of non-current assets

Asset Analysis by Geography	Year ended 31 March 2024 £m	Year ended 31 March 2023 £m
Europe (including UK)	132.5	116.4
Asia Pacific	62.5	7.3
North America	54.4	40.7
Total	**249.4**	**164.4**

Geographical analysis of Group revenue

Income Analysis by Geography	Year ended 31 March 2024 £m	Year ended 31 March 2023 £m
Europe (including UK)	726.5	415.3
Asia Pacific	87.2	58.6
North America	135.9	165.1
Total	**949.6**	**639.0**

Notes to the financial statements continued

5. Financial assets and liabilities

Accounting policy

Financial assets

Financial assets can be classified into the following categories: Amortised Cost, Fair Value Through Profit and Loss ('FVTPL') and Fair Value Through Other Comprehensive Income ('FVOCI'). The Group has classified all invested financial assets as FVTPL.

Financial assets at FVTPL are initially recognised and subsequently measured at fair value. A valuation assessment is performed on a recurring basis with gains or losses arising from changes in fair value recognised through net gains on investments in the consolidated income statement. Dividends or interest earned on the financial assets are also included in the net gains on investments.

Where the Group holds investments in a number of financial instruments such as debt and equity in a portfolio company, the Group views their entire investment as a unit of account for valuation purposes. Industry standard valuation guidelines such as the International Private Equity and Venture Capital ('IPEV') Valuation Guidelines - December 2022, allow for a level of aggregation where there are a number of financial instruments held within a portfolio company.

Recognition of financial assets

When the Group invests in the capital structure of a portfolio company, these assets are initially recognised and subsequently measured at fair value, and transaction costs are recognised in the consolidated income statement immediately.

Derecognition of financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when substantially all the risks and rewards of ownership of the asset are transferred to another party. On derecognition of a financial asset in its entirety, the difference between the asset's carrying value amount and the sum of the consideration received and receivable, is recognised in profit or loss.

Key sources of estimation uncertainty on financial assets

Fair value is the amount for which an asset could be exchanged, or liability settled, between knowledgeable, willing parties in an arm's length transaction at the reporting date. The fair value of investments is based on quoted prices, where available. Where quoted prices are not available, the fair value is estimated in line with IFRS and industry standard valuation guidelines such as IPEV for direct investments in portfolio companies, and the Royal Institute of Chartered Surveyors Valuation – Global Standards 2020 for investment property. These valuation techniques can be subjective and include assumptions which are not supportable by observable data. Details of the valuation techniques and the associated sensitivities are further disclosed in this note on page 147.

Given the subjectivity of investments in private companies, senior and subordinated notes of Collateralised Loan Obligation vehicles and investments in investment property, these are key sources of estimation uncertainty, and as such the valuations are approved by the relevant Fund Investment Committees and Group Valuation Committee. The unobservable inputs relative to these investments are further detailed below.

Fair value measurements recognised in the statement of financial position

The information set out below provides information about how the Group and Company determines fair values of various financial assets and financial liabilities, grouped into Levels 1 to 3 based on the degree to which the fair value is observable.

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs)

Notes to the financial statements continued

5. Financial assets and liabilities continued

The following table summarises the valuation of the Group's financial assets and liabilities by fair value hierarchy:

	As at 31 March 2024				As at 31 March 2023			
Group	Level 1 £m	Level 2 £m	Level 3 £m	Total £m	Level 1 £m	Level 2 £m	Level 3 £m	Total £m
Financial assets								
Investment in or alongside managed funds[1]	5.7	3.6	2,300.7	2,310.0	7.2	1.8	2,144.3	2,153.3
Consolidated CLOs and credit funds	–	4,154.9	462.6	4,617.5	–	4,101.4	567.7	4,669.1
Derivative assets	–	9.3	–	9.3	–	22.0	–	22.0
Investment in private companies[2]	–	–	401.7	401.7	–	–	100.4	100.4
Investment in public companies	4.5	–	–	4.5	5.1	–	–	5.1
Non-consolidated CLOs and credit funds	–	111.3	19.7	131.0	–	105.8	7.5	113.3
Disposal groups held for sale	–	–	–	–	–	–	163.2	163.2
Total financial assets[3]	**10.2**	**4,279.1**	**3,184.7**	**7,474.0**	**12.3**	**4,231.0**	**2,983.1**	**7,226.4**
Financial liabilities								
Liabilities of consolidated CLOs and credit funds	–	(4,415.6)	(186.7)	(4,602.3)	–	(4,508.0)	(64.7)	(4,572.7)
Derivative liabilities	–	(9.2)	–	(9.2)	–	(15.7)	–	(15.7)
Disposal groups held for sale	–	–	–	–	–	–	–	–
Total financial liabilities	**–**	**(4,424.8)**	**(186.7)**	**(4,611.5)**	**–**	**(4,523.7)**	**(64.7)**	**(4,588.4)**

1. Level 3 investments in or alongside managed funds includes £1,212.3m Corporate Investments & US Mid Market, £517.9m Strategic Equity, LP Secondaries, Recovery Fund, Life Sciences, £58.2m Senior Debt Partners, £82.1m North America Credit Partners, £399.6m real estate funds, and £16.8m credit funds.
2. Level 3 Investment in private companies includes £359.9m subordinated debt and equity (2023: £91.3m) and £41.8m of real estate funds (2023: £9.1m), including assets reclassified from Disposal groups held for sale.
3. Total financial assets correspond to the sum of non-current and current financial assets at fair value and the sum of non-current and current financial derivatives on the face of the balance sheet.

Notes to the financial statements continued

5. Financial assets and liabilities continued

Fair value hierarchy

The following table summarises the valuation of the Company's financial assets and liabilities by fair value hierarchy.

	As at 31 March 2024				As at 31 March 2023			
Company	Level 1 £m	Level 2 £m	Level 3 £m	Total £m	Level 1 £m	Level 2 £m	Level 3 £m	Total £m
Financial Assets								
Investment in or alongside managed funds	5.8	–	128.3	134.1	7.2	–	171.6	178.8
Derivative assets	–	9.3	–	9.3	–	22.0	–	22.0
Investment in private companies	–	–	87.1	87.1	–	–	86.1	86.1
Senior and subordinated notes of CLO vehicles	–	–	21.8	21.8	–	–	23.8	23.8
Total assets	**5.8**	**9.3**	**237.2**	**252.3**	**7.2**	**22.0**	**281.5**	**310.7**
Financial Liabilities								
Derivative liabilities	–	9.2	–	9.2	–	15.7	–	15.7
Total liabilities	**–**	**9.2**	**–**	**9.2**	**–**	**15.7**	**–**	**15.7**

Valuations

Valuation process

The Group Valuation Committee ('GVC') is responsible for reviewing and concluding on the fair value of the Group's balance sheet investment positions in accordance with the Group's Valuation Policy. This includes consideration of the valuations received from the underlying funds. The GVC reviews its fair values on a quarterly basis and reports to the Audit Committee semi-annually. The GVC is independent of the boards of directors of the funds, and no member of the GVC is a member of either the Group's investment teams or fund Investment Committees ('ICs').

The ICs are responsible for the review, challenge, and approval of the underlying funds' valuations of their assets. Sources of the valuation reviewed by the ICs include the ICG investment team, third-party valuation services and third-party fund administrators as appropriate. The IC provides those valuations to the Group, as an investor in the fund assets. The IC is also responsible for escalating significant events regarding the valuation to the Group (as an investor in the fund assets), for example change in valuation methodologies, potential impairment events, or material judgements.

The table on page 147 outlines in more detail the range of valuation techniques, as well as the key unobservable inputs for each category of Level 3 assets and liabilities.

Investment in or alongside managed funds

When fair values of publicly traded closed-ended funds and open-ended funds are based on quoted market prices in an active market for identical assets without any adjustments, the instruments are included within Level 1 of the hierarchy. The Group values these investments at bid price for long positions and ask price for short positions.

The Group also co-invests with funds, including credit and private equity secondary funds, which are not quoted in an active market. The Group considers the valuation techniques and inputs used by these funds to ensure they are reasonable, appropriate and consistent with the principles of fair value. The latest available NAV of these funds are generally used as an input into measuring their fair value. The NAV of the funds are adjusted, as necessary, to reflect restrictions on redemptions, and other specific factors relevant to the funds. In measuring fair value, consideration is also given to any transactions in the interests of the funds. The Group classifies these funds as Level 3.

Notes to the financial statements continued

5. Financial assets and liabilities continued

Investment in private companies

The Group takes debt and equity stakes in private companies that are, other than on very rare occasions, not quoted in an active market and uses either a market-based valuation technique or a discounted cash flow technique to value these positions.

The Group's investments in private companies are held at fair value using the most appropriate valuation technique based on the nature, facts and circumstances of the private company. The first of two principal valuation techniques is a market comparable companies technique. The enterprise value ('EV') of the portfolio company is determined by applying an earnings multiple, taken from comparable companies, to the profits of the portfolio company. The Group determines comparable private and public companies, based on industry, size, location, leverage and strategy, and calculates an appropriate multiple for each comparable company identified. The second principal valuation technique is a discounted cash flow ('DCF') approach. Fair value is determined by discounting the expected future cash flows of the portfolio company to the present value. Various assumptions are utilised as inputs, such as terminal value and the appropriate discount rate to apply. Typically, the DCF is then calibrated alongside a market comparable companies approach. Alternate valuation techniques may be used where there is a recent offer or a recent comparable market transaction, which may provide an observable market price and an approximation to fair value of the private company. The Group classified these assets as Level 3.

Investment in public companies

Quoted investments are held at the last traded bid price on the reporting date. When a purchase or sale is made under contract, the terms of which require delivery within the timeframe of the relevant market, the contract is reflected on the trade date.

Investment in loans held in consolidated structured entities

The loan asset portfolios of the consolidated structured entities are valued using observable inputs such as recently executed transaction prices in securities of the issuer or comparable issuers and from independent loan pricing sources. To the extent that the significant inputs are observable the Group classifies these assets as Level 2 and other assets are classified as Level 3. Level 3 assets are valued using a discounted cash flow technique and the key inputs under this approach are detailed on page 147.

Derivative assets and liabilities

The Group uses market-standard valuation models for determining fair values of over-the-counter interest rate swaps, currency swaps and forward foreign exchange contracts. The most frequently applied valuation techniques include forward pricing and swap models, using present value calculations. The models incorporate various inputs including both credit and debit valuation adjustments for counterparty and own credit risk, foreign exchange spot and forward rates and interest rate curves. For these financial instruments, significant inputs into models are market observable and are included within Level 2.

Senior and subordinated notes of CLO vehicles

The Group holds investments in the senior and subordinated notes of the CLOs it manages, predominately driven by European Union risk-retention requirements. The Group employs DCF analysis to fair value these investments, using several inputs including constant annual default rates, prepayments rates, reinvestment rates, recovery rates and discount rates. The DCF analysis at the reporting date shows that the senior notes are typically expected to recover all contractual cash flows, including under stressed scenarios, over the life of the CLOs. Observable inputs are used in determining the fair value of senior notes and these instruments are therefore classified as Level 2. Unobservable inputs are used in determining the fair value of subordinated notes, which are therefore classified as Level 3 instruments.

Liabilities of consolidated CLO vehicles

Rated debt liabilities of consolidated CLOs are generally valued at par plus accrued interest, which we assess as fair value. Observable inputs are used in determining the fair value of these instruments, including the valuation of the CLO loan asset portfolio. As a result we deem these liabilities as Level 2.

Unrated/subordinated debt liabilities of consolidated CLOs are valued directly in line with the fair value of the CLO loan asset portfolios. These underlying assets mostly comprise observable loan securities traded in active markets. The underlying assets are reported in both Level 2 and Level 3. As a result of this methodology of deriving the valuation of unrated/subordinated debt liabilities from a combination of Level 2 and Level 3 asset values, we deem these liabilities to be Level 3.

Real estate assets

To the extent that the Group invests in real estate assets, whether through an investment in a managed fund or an investment in a private company, the underlying assets may be classified as either a financial asset or investment property in accordance with IAS 40 'Investment Property'. The fair values of the directly held material investment properties have been recorded based on independent valuations prepared by third-party real estate valuation specialists in line with the Royal Institution of Chartered Surveyors Valuation – Global Standards 2020. At the end of each reporting period, the Group reviews its assessment of the fair value of each property, taking into account the most recent independent valuations. The Directors determine a property value within a range of reasonable fair value estimates, based on information provided.
All resulting fair value estimates for properties are included in Level 3.

Notes to the financial statements continued

5. Financial assets and liabilities continued

Reconciliation of Level 3 fair value measurement of financial assets

The following tables set out the movements in recurring financial assets valued using the Level 3 basis of measurement in aggregate. Within the income statement, realised gains and fair value movements are included within gains on investments, and foreign exchange gains/(losses) are included within finance costs. Transfers between levels take place when there are changes to the observability of inputs used in the valuation of these assets. This is determined based on the year-end valuation and transfers therefore take place at the end of the reporting period.

Group	Investment in or alongside managed funds £m	Investment in loans held in consolidated entities £m	Investment in private companies £m	Subordinated notes of CLO vehicles £m	Disposal groups held for sale £m	Total £m
At 1 April 2023	2,144.3	567.7	100.4	7.5	163.2	2,983.1
Total gains or losses in the income statement						
– Net investment return[2]	284.0	11.5	14.4	2.9	63.3	376.1
– Foreign exchange	(50.7)	(14.0)	(4.3)	(0.4)	3.4	(66.0)
Purchases	301.8	234.2	74.5	9.7	213.1	833.3
Exit proceeds	(378.7)	(195.6)	(19.1)	–	(207.2)	(800.6)
Transfers in[1]	–	96.9	–	–	–	96.9
Transfers out[1]	–	(238.1)	–	–	–	(238.1)
Reclassification[3]	–	–	235.8	–	(235.8)	–
At 31 March 2024	**2,300.7**	**462.6**	**401.7**	**19.7**	**–**	**3,184.7**

1. During the year certain assets in Investments in loans held in consolidated entities were reassessed as Level 3 (from Level 2) or Level 2 (from Level 3) and these changes are reported as a transfers in or transfers out in the year.
2. Included within net investment returns are £345.1m of unrealised gains (which includes accrued interest).
3. During the year the group reclassified all its financial assets previously included in disposal groups held for sale into investments in private companies (see note 28).

Group	Investment in or alongside managed funds £m	Investment in loans held in consolidated entities £m	Investment in private companies £m	Subordinated notes of CLO vehicles £m	Disposal groups held for sale £m	Total £m
At 1 April 2022	2,112.9	145.2	122.7	9.1	89.2	2,479.1
Total gains or losses in the income statement						
– Net investment return[2]	172.9	(9.6)	(21.2)	(1.3)	(7.1)	133.7
– Foreign exchange	67.4	15.5	13.2	0.5	5.8	102.4
Purchases	416.2	60.2	6.7	–	158.7	641.8
Exit proceeds	(625.1)	(100.7)	(21.0)	(0.8)	(23.8)	(771.4)
Transfers in[1,3]	–	457.1	–	–	–	457.1
Transfers out[1,3]	–	–	–	–	(59.6)	(59.6)
At 31 March 2023	**2,144.3**	**567.7**	**100.4**	**7.5**	**163.2**	**2,983.1**

1. During the year certain assets in Investments in loans held in consolidated entities were reassessed as Level 3 (from Level 2) and these changes are reported as a transfer in the year. Transfers out of Disposal groups held for sale represented the re-designation of an asset as Investment Property (see note 28)
2. Included within net investment returns are £141.8m of unrealised gains (which includes accrued interest)
3. The prior period transfers between levels have been re-presented to separately disclose transfers in and transfers out of Level 3.

Notes to the financial statements continued

5. Financial assets and liabilities continued

Company	2024 Investment in or alongside managed funds £m	2024 Investment in private companies £m	2024 Subordinated notes of CLO vehicles £m	2024 Total £m	2023 Investment in or alongside managed funds £m	2023 Investment in private companies £m	2023 Subordinated notes of CLO vehicles £m	2023 Total £m
At 1 April	171.6	86.1	23.8	281.5	160.7	158.9	0.2	319.8
Total gains or losses in the income statement								
– Net investment return	(1.0)	4.6	(1.4)	2.2	3.1	10.1	(0.2)	13.0
– Foreign exchange	(2.7)	(3.0)	(0.6)	(6.3)	5.9	18.6	–	24.5
Purchases	27.4	–	–	27.4	49.8	120.9	23.8	194.5
Exit proceeds	(66.9)	(0.6)	–	(67.5)	(47.9)	(222.4)	–	(270.3)
At 31 March	**128.4**	**87.1**	**21.8**	**237.3**	**171.6**	**86.1**	**23.8**	**281.5**

Reconciliation of Level 3 fair value measurements of financial liabilities

The following tables sets out the movements in reoccurring financial liabilities valued using the Level 3 basis of measurement in aggregate. Within the income statement, realised gains and fair value movements are included within gains on investments, and foreign exchange gains/(losses) are included within finance costs. Transfers in and out of Level 3 financial liabilities were due to changes to the observability of inputs used in the valuation of these liabilities. During the year ended 31 March 2024 changes in the fair value of the assets of consolidated credit funds resulted in a reduction in the fair value of the financial liabilities of those consolidated credit funds, reported as a 'fair value gain' in the table below.

Group	2024 Financial liabilities designated as FVTPL £m	2023 Financial liabilities designated as FVTPL £m
At 1 April	64.7	239.6
Total gains or losses in the income statement		
– Fair value gains	102.3	(178.2)
– Foreign exchange losses	(1.7)	12.8
Purchases	21.4	23.8
Disposal groups held for sale	–	(5.0)
Transfer between levels	–	(28.3)
At 31 March	**186.7**	**64.7**

Notes to the financial statements continued

5. Financial assets and liabilities continued

Valuation inputs and sensitivity analysis

The following table summarises the inputs and estimates used for items categorised in Level 3 of the fair value hierarchy together with a quantitative sensitivity analysis:

Group assets	Fair Value As at 31 March 2024 £m	Fair Value As at 31 March 2023 £m	Primary Valuation Technique[1]	Key Unobservable Inputs	Range	Weighted Average/ Fair Value Inputs	Sensitivity/ Scenarios	Effect on Fair Value 31 March 2024 £m
Structured & Private Equity: Corporate Investments & US Mid-Market	**1,490.6**	1,341.3	Market comparable companies	Earnings multiple	5.0x – 29.0x	15.1x	'+10% Earnings multiple2	187.6
			Discounted cash flow	Discount rate	7.5% - 20.5%	11.2%	'-10% Earnings multiple2	(187.6)
				Earnings multiple	6.1x – 21.5x	11.8x		
Structured & Private Equity: Strategic Equity, LP Secondaries, Recovery Fund, Life Sciences	**589.9**	589.4	Third-party valuation / funding round value	N/A	N/A	N/A	+10% valuation	59.0
							-10% valuation	(59.0)
Private Debt: North American Credit Partners	**91.7**	120.7	Market comparable companies	Earnings multiple	5.5x – 29.0x	14.1x	'+10% Earnings multiple[2]	9.7
							'-10% Earnings multiple[2]	(9.7)
Private Debt: Senior Debt Partners	**58.2**	47.8	Discounted cash flow	Probability of default	1.0%-2.2%	1.0%	Upside case	–
				Loss given default	32.2%	32.2%	Downside case	(0.5)
				Maturity of loan	3 years	3 years		
				Effective interest rate	9.6%-11.5%	11.2%		
Real Assets	**441.4**	293.6	Third-party valuation	N/A	N/A	N/A	+10% Third-party valuation	44.1
			LTV-based impairment model	N/A	N/A	N/A	-10% Third-party valuation	(44.1)
Credit: Non-consolidated CLOs and credit funds	**19.7**	7.5	Discounted cash flow	Discount rate	15.0% - 15.5%	15.1%		
				Default rate	3% - 4.5%	3.3%	Upside case[3]	22.8
				Prepayment rate %	15% -20%	19.5%	Downside case[3]	(23.8)
				Recovery rate %	75.0%	75.0%		
				Reinvestment price	99.5%	99.5%		
Credit: Consolidated CLOs and credit funds	**462.6**	567.7	Third-party valuation	N/A	N/A	N/A	+10% Third-party valuation	46.3
							-10% Third-party valuation	(46.3)
Credit: Liquid Funds	**30.6**	15.1	Third-party valuation	N/A	N/A	N/A	+10% Third-party valuation	3.1
							-10% Third-party valuation	(3.1)
Total financial assets	**3,184.7**	2,983.1					**Total Upside sensitivity**	**372.5**
							Total Downside sensitivity	**(374.1)**
Liabilities of Consolidated CLOs and credit funds	**(186.7)**	(64.7)	Third-party valuation	N/A	N/A	N/A	+10% Third-party valuation	(18.7)
							-10% Third-party valuation	18.7
Total financial liabilities	**(186.7)**	**(64.7)**						

1. Where the Group has co-invested with its managed funds, it is the type of the underlying investment, and the valuation techniques used for these underlying investments, that is set out here.
2. Investments in the following strategies are sensitised using the actual or implied earnings multiple to provide a consistent, comparable basis for this analysis: Corporate Investments, US Mid-Market, North America Credit Partners.
3. The sensitivity analysis is performed on the entire portfolio of subordinated notes of CLO vehicles that the Group has invested in with total value of £187.7m (2023: £182.8m). The default rate applied was set at 4.5% until 2025, reducing by 0.5% semi-annually during 2025 and reverting to 3% in 2026. The upside case is based on the default rate being lowered to 2.5% p.a. for the next 21 months then to 2.0% for the 3 following months, keeping all other parameters consistent. The downside case is based on the default rate being increased over the next 21 months to 6.5% then to 6.0% for the 3 following months, keeping all other parameters consistent.

Notes to the financial statements continued

5. Financial assets and liabilities continued

Derivative financial instruments

Accounting policy

Derivative financial instruments for economic hedging

The Group holds derivative financial instruments to hedge foreign currency and interest rate exposures. Derivatives are recognised at fair value determined using independent third-party valuations or quoted market prices. Changes in fair values of derivatives are recognised immediately in Finance loss in the Income Statement.

A derivative with a positive fair value is recognised as a financial asset while a derivative with a negative fair value is recognised as a financial liability. A derivative is presented as a non-current asset or non-current liability if the remaining maturity of the instrument is more than 12 months from the reporting date, otherwise a derivative will be presented as a current asset or current liability.

	2024			2023		
	Contract or underlying principal amount	Fair values		Contract or underlying principal amount	Fair values	
Group	£m	Asset £m	Liability £m	£m	Asset £m	Liability £m
Cross currency swaps	118.8	6.2	(5.5)	121.6	7.5	(8.5)
Forward foreign exchange contracts	1,201.8	3.1	(3.7)	1,365.1	14.5	(7.2)
Total	**1,320.6**	**9.3**	**(9.2)**	**1,486.7**	**22.0**	**(15.7)**

	2024			2023		
	Contract or underlying principal amount	Fair values		Contract or underlying principal amount	Fair values	
Company	£m	Asset £m	Liability £m	£m	Asset £m	Liability £m
Cross currency swaps	118.8	6.2	(5.5)	121.6	7.5	(8.5)
Forward foreign exchange contracts	1,201.8	3.1	(3.7)	1,365.1	14.5	(7.2)
Total	**1,320.6**	**9.3**	**(9.2)**	**1,486.7**	**22.0**	**(15.7)**

The Group holds £5.5m of cash pledged as collateral by its counterparties as at 31 March 2024 (31 March 2023: £8.5m). All the Credit Support Annexes that have been agreed with our counterparties are fully compliant with European Market Infrastructure Regulation 'EMIR'.

The fair value movements in derivatives during the year is £(10.5)m (2023: £(17.1)m). There was no change in fair value related to credit risk in relation to derivatives as at 31 March 2024 (31 March 2023: £nil).

Within the International Swaps and Derivatives Association ('ISDA') Master Agreements in place with our counterparties, in the event of a default, the close-out netting provision would result in all obligations under a contract being terminated with a subsequent combining of positive and negative replacement values into a single net payable or receivable.

Notes to the financial statements

6. Cash and cash equivalents

	Group 2024 £m	Group 2023 £m	Company 2024 £m	Company 2023 £m
Cash and cash equivalents				
Cash at bank and in hand	**990.0**	957.5	**464.4**	409.8

Cash and cash equivalents comprise cash and short-term bank deposits with an original maturity of three months or less. The carrying amount of these assets approximates to their fair value. Cash and cash equivalents at the end of the reporting period as shown in the consolidated statement of cash flows can be reconciled to the related items in the consolidated statement of financial position as shown above.

The Group's cash and cash equivalents include £362.6m (2023: £407.5m) of restricted cash, held principally by structured entities controlled by the Group. The Group does not have legal recourse to these balances as their sole purpose is to service the interests of the investors in these structured entities.

In the prior year £5.5m of cash and cash equivalents were included in disposal groups held for sale (note 28).

7. Financial liabilities

Accounting policy

Financial liabilities, which include borrowings and listed notes and bonds (with the exception of financial liabilities designated as FVTPL), are initially recognised at fair value net of transaction costs and subsequently measured at amortised cost using the effective interest rate method. Arrangement and commitment fees are included within the carrying value of financial liabilities.

Lease liabilities are initially measured at the present value of all the future lease payments. The present value at the inception of the lease is determined by discounting all future lease payments at the Group's centrally determined incremental borrowing rate at the date of inception of the lease. In calculating the present value of lease payments, the Group uses its incremental borrowing rate because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

Financial liabilities at FVTPL are initially recognised and subsequently measured at fair value on a recurring basis. Gains or losses arising from changes in fair value of derivative financial liabilities are recognised in Finance loss in the income statement. Gains or losses arising from changes in fair value of liabilities of Structured entities controlled by the Group recognised through gains on investments in the income statement. The Group has designated financial liabilities at fair value relating to consolidated structured entities as such liabilities are managed by the Group on a fair value basis.

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or expire.

Notes to the financial statements continued

7. Financial liabilities continued

Group	Interest rate %	Maturity	2024 Current £m	2024 Non-current £m	2023 Current £m	2023 Non-current £m
Liabilities held at amortised cost						
– Private placement	2.02% - 5.35%	2024 - 2029	248.7	346.4	56.8	604.8
– Listed notes and bonds	1.63% - 2.50%	2027 - 2030	2.5	851.3	2.5	874.9
– Unsecured bank debt[1]	SONIA +1.38%	2026	(0.8)	(0.7)	(0.8)	(1.5)
Total Liabilities held at amortised cost			250.4	1,197.0	58.5	1,478.2
Lease liabilities	2.85% - 7.09%	2024 - 2034	8.9	69.3	5.8	79.6
Other financial liabilities	1.34% - 6.20%	2024 - 2028	–	29.9	–	–
Liabilities held at FVTPL:						
– Derivative financial liabilities			9.2	–	14.8	0.9
– Structured entities controlled by the Group	0.60% - 10.90%	2030-2038	–	4,602.3	–	4,572.7
			268.5	**5,898.5**	**79.1**	**6,131.4**

1. Unsecured bank debt represents the value of associated fees which are amortised over the life of the facility.

Company	Interest rate %	Maturity	2024 Current £m	2024 Non-current £m	2023 Current £m	2023 Non-current £m
Liabilities held at amortised cost						
– Private placement	2.02% - 5.35%	2024 - 2029	248.7	346.4	56.8	604.8
– Listed notes and bonds	1.63% - 2.50%	2027 - 2030	2.5	851.3	2.5	874.9
– Unsecured bank debt[1]	SONIA +1.38%	2026	(0.8)	(0.7)	(0.8)	(1.5)
Total Liabilities held at amortised cost			250.4	1,197.0	58.5	1,478.2
Lease liabilities	2.85% - 7.09%	2024 - 2034	4.4	34.9	4.3	39.3
Liabilities held at FVTPL						
– Derivative financial liabilities			9.2	–	14.8	0.9
			264.0	**1,231.9**	**77.6**	**1,518.4**

1. Unsecured bank debt represents the value of associated fees which are amortised over the life of the facility.

The fair value of the Listed notes and bonds, being the market price of the outstanding bonds is £788.9m (2023: £613.1m).

Other financial liabilities are borrowings related to seed investments.

Details of the cash outflows related to leases are in the Consolidated statement of cash flows, interest expenses associated with lease liabilities are in note 10, the Right of Use ('ROU') assets and the income from subleasing ROU assets are in note 17 and the maturity analysis of the lease liabilities are in note 21 .

Notes to the financial statements continued

7. Financial liabilities continued

Movement in financial liabilities arising from financing activities

The following table sets out the movements in total liabilities held at amortised cost arising from financing activities undertaken during the year.

	Group		Company	
	2024 £m	2023 £m	2024 £m	2023 £m
At 1 April	1,622.1	1,712.1	1,580.3	1,701.3
Movement as a result of change in control of subsidiary	21.5	–	–	–
Repayment of long term borrowings	(50.7)	(194.6)	(50.7)	(194.6)
Reclassification[1]	7.7	–	–	–
Payment of principal portion of lease liabilities	(8.4)	(6.8)	(5.8)	(4.1)
Establishment of lease liability	1.2	33.0	–	–
Net interest movement	1.7	1.0	(0.9)	0.3
Foreign exchange movement	(39.6)	77.4	(36.2)	77.4
At 31 March	**1,555.5**	**1,622.1**	**1,486.7**	**1,580.3**

1. Borrowings related to seed investments acquired during the year.

8. Other income

Accounting policy

The Group earns interest on its cash balances, excluding balances within structured entities controlled by the Group. These amounts are recognised as income in the period in which it is earned.

	2024 £m	2023 £m
Interest income on bank deposits	21.6	15.5
	21.6	**15.5**

Notes to the financial statements continued

9. Net gains on investments

Accounting policy

The Group recognises net gains and losses on investments comprising realised and unrealised gains and losses from disposals and revaluations of financial assets and financial liabilities measured at fair value.

	2024 £m	2023 £m
Financial assets		
Change in fair value of financial instruments designated at FVTPL	933.5	167.6
Financial liabilities		
Change in fair value of financial instruments designated at FVTPL	(528.2)	4.9
Net gains arising on investments	**405.3**	**172.5**

10. Finance costs

Accounting policy

Interest expense on the Group's debt, excluding financial liabilities within structured entities controlled by the Group, is recognised using the effective interest rate method based on the expected future cash flows of the liabilities over their expected life. Financial liabilities within structured entities controlled by the Group are accounted for within Net gains and losses arising on investment (see note 9).

Interest expense associated with lease obligations represents the unwinding of the lease liability discount, are accounted for in accordance with IFRS 16 (see note 17).

Finance costs	2024 £m	2023 £m
Interest expense recognised on financial liabilities held at amortised cost	42.2	57.3
Arrangement and commitment fees	4.6	4.7
Interest expense associated with lease obligations	2.7	2.6
	49.5	**64.6**

Notes to the financial statements continued

11. Administrative expenses

Further detail in respect of material administrative expenses reported on the income statement is set out below:

	2024 £m	2023 £m
Staff costs	294.3	256.7
Amortisation and depreciation	17.9	18.2
Operating lease expenses	1.9	2.8
Auditor's remuneration	2.4	2.3

Auditor's remuneration includes fees for audit and non-audit services payable to the Group's auditor, Ernst and Young LLP, and are analysed as below.

	2024 £m	2023 £m
ICG Group		
Audit fees		
Group audit of the annual accounts	1.7	1.5
Audit of subsidiaries' annual accounts	0.3	0.3
Audit of controlled CLOs[1]	0.1	0.1
Total audit fees	**2.1**	**1.9**
Non audit fees		
Audit-related assurance services	0.2	0.3
Other assurance services	0.1	0.1
Total non audit fees	**0.3**	**0.4**
Total auditor's remuneration incurred by the Group	**2.4**	**2.3**

1. The 2023 fees relating to the audit of controlled CLOs have been updated for engagements agreed subsequent to the approval of the prior year financial statements.

Notes to the financial statements continued

12. Employees and Directors

Accounting policy

The Deal Vintage Bonus ('DVB') scheme forms part of the Group's Remuneration Policy for investment executives. DVB is reported within Wages and salaries.

Payments of DVB are made in respect of plan years, which are aligned to the Group's financial year. Payments of DVB are made only when the performance threshold for the plan year has been achieved on a cash basis and proceeds are received by the Group. An estimate of the DVB liability for a plan year is developed based on the following inputs: expected realisation proceeds; expected timing of realisations; and allocations of DVB to qualifying investment professionals. The Group accrues the estimated DVB cost associated with that plan year evenly over five years on average, reflecting the average holding period for the underlying investments and therefore the period over which services are provided by the scheme participants.

	2024 £m	2023 £m
Directors' emoluments	**5.1**	**4.9**
Employee costs during the year including Directors:		
Wages and salaries	253.4	228.7
Social security costs	30.7	20.5
Pension costs	10.2	7.5
Total employee costs (note 11)	**294.3**	**256.7**
The monthly average number of employees (including Executive Directors) was:		
Investment Executives	289	268
Marketing and support functions	350	293
Executive Directors	3	3
	642	**564**

ICG plc, the Company, does not have any employees but relies on the expertise and knowledge of employees of ICG FMC Limited, Intermediate Capital Group Inc., Intermediate Capital Group SAS, Intermediate Capital Asia Pacific Limited, ICG (Singapore) Pte Ltd, ICG Beratungsgesellschaft mbH, ICG Europe S.a.r.l, Intermediate Capital Managers (Aus) PTY Ltd and Intermediate Capital Group Polska Sp. z.o.o, subsidiaries of ICG plc. Contributions to the Group's defined contribution pension schemes are charged to the consolidated income statement as incurred.

The performance related element included in employee costs is £171.9m (2023: £151.6m) which represents the annual bonus scheme, Omnibus Scheme, the Growth Incentive Scheme and the DVB Scheme. Please refer to the report of the Remuneration Committee on page 95.

In addition, during the year, third-party funds have paid £43.7m (2023: £46.0m) to former employees and £46.0m (2023: £93.4m) to current employees, including Executive Directors, relating to distributions from investments in carried interest partnerships ('CIPs') made by these employees in prior periods. Such amounts become due over time if, and when, specified performance targets are ultimately realised in cash by the funds and paid by the carried interest partnerships of the funds (see note 27). As these funds and CIPs are not consolidated, these amounts are not included in the Group's consolidated income statement.

Notes to the financial statements continued

13. Tax expense

Accounting policy

The tax expense comprises current and deferred tax.

Current tax assets and liabilities comprise those obligations to, or claims from, tax authorities relating to the current or prior reporting periods, that are unpaid at the reporting date.

Deferred tax is provided in respect of temporary differences between the carrying amounts of assets and liabilities and their tax bases. Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which the deferred tax assets can be utilised.

Deferred tax is not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition of other assets and liabilities in a transaction, other than a business combination, that affects neither the tax nor the accounting profit.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to be applied to their respective period of realisation, provided they are enacted or substantively enacted at the reporting date.

Deferred tax assets and liabilities are offset when there is a legally enforceable right of set off, when they relate to income taxes levied by the same tax authority and the Group intends to settle on a net basis.

Changes in deferred tax assets or liabilities are recognised as a component of tax expense in the income statement, except where they relate to items that are charged or credited directly to equity, in which case the related deferred tax is also charged or credited directly to equity.

	2024 £m	2023 £m
Current tax:		
Current year	86.0	16.9
Prior year adjustment	15.4	(9.7)
	101.4	**7.2**
Deferred tax:		
Current year	(28.1)	14.1
Prior year adjustments	(10.9)	8.1
	(39.0)	**22.2**
Tax on profit on ordinary activities	**62.4**	**29.4**

Notes to the financial statements continued

13. Tax expense continued

The Group is an international business and operates across many different tax jurisdictions. Income and expenses are allocated to these jurisdictions based on transfer pricing methodologies set out both (i) in the laws of the jurisdictions in which the Group operates, and (ii) under guidelines set out by the Organisation for Economic Co-operation and Development ('OECD').

The effective tax rate reported by the Group for the period ended 31 March 2024 of 11.7% (2023: 11.7%) is lower than the statutory UK corporation tax rate of 25% (2023:19%).

The FMC activities are subject to tax at the relevant statutory rates ruling in the jurisdictions in which the income is earned. The lower effective tax rate compared to the statutory UK rate is largely driven by the IC activities. The IC benefits from statutory UK tax exemptions on certain forms of income arising from both foreign dividend receipts and gains from assets qualifying for the substantial shareholdings exemption. The effect of these exemptions means that the effective tax rate of the Group is highly sensitive to the relative mix of IC income, and composition of such income, in any one period.

Due to the application of tax law requiring a degree of judgement, the accounting thereon involves a level of estimation uncertainty which tax authorities may ultimately dispute. Tax liabilities are recognised based on the best estimates of probable outcomes and with regard to external advice where appropriate. The principal factors which may influence the Group's future tax rate are changes in tax legislation in the territories in which the Group operates, the relative mix of FMC and IC income, the mix of income and expenses earned and incurred by jurisdiction and the timing of recognition of available deferred tax assets and liabilities.

A reconciliation between the statutory UK corporation tax rate applied to the Group's profit before tax and the reported effective tax rate is provided below.

	2024 £m	2023 £m
Profit on ordinary activities before tax	**530.8**	**251.0**
Tax at 25% (2023:19%)	132.7	47.7
Effects of		
Prior year adjustment to current tax	15.4	(9.6)
Prior year adjustment to deferred tax	(10.9)	8.1
	137.2	**46.2**
Non-taxable and non-deductible items	1.7	(0.3)
Non-taxable investment company income	(59.9)	(22.5)
Trading income generated by overseas subsidiaries subject to different tax rates	(16.6)	4.0
Deferred tax adjustment	–	2.0
Tax charge for the period	**62.4**	**29.4**

Notes to the financial statements continued

13. Tax expense continued

Deferred tax

Deferred tax (asset)/liability Group	Investments £m	Share based payments and compensation deductible as paid £m	Tax losses carried forward £m	Other temporary differences £m	Total £m
As at 31 March 2022	36.1	(38.1)	(2.0)	(5.9)	(9.9)
Prior year adjustment	2.0	0.2	2.2	5.2	9.6
Impact of changes to statutory tax rates	0.3	(1.1)	(0.7)	1.1	0.6
Charge / (Credit) to equity	2.2	3.4	–	1.0	5.6
Charge / (Credit) to income	5.2	(0.7)	0.1	9.5	14.1
Movement in Foreign Exchange on retranslation	–	–	–	(0.4)	(0.4)
Reclassification to current tax	–	–	–	(1.7)	(1.7)
As at 31 March 2023	**45.8**	**(36.3)**	**(0.4)**	**8.8**	**17.9**
Reclassification between categories	2.7	1.7	–	(4.4)	–
Reclassification of deferred tax liability out of discontinued operations	14.0	–	–	–	14.0
Prior year adjustment	(4.1)	–	(1.6)	(5.2)	(10.9)
Charge / (Credit) to equity	0.2	(6.9)		–	(6.7)
Charge / (Credit) to income	(11.4)	(10.0)	(5.3)	(1.4)	(28.1)
Movement in foreign exchange on retranslation	–	–	–	(0.2)	(0.2)
As at 31 March 2024	**47.2**	**(51.5)**	**(7.3)**	**(2.4)**	**(14.0)**

Notes to the financial statements continued

13. Tax expense continued

Deferred tax (asset)/liability

Company	Investments £m	Share based payments and compensation deductible as paid £m	Derivatives £m	Other temporary differences £m	Total £m
As at 31 March 2022	8.6	(8.2)	(0.8)	(0.5)	(0.9)
Prior year adjustment	–	–	–	0.6	0.6
Impact of changes to statutory tax rates	0.2	(0.3)	0.4	0.5	0.8
Charge / (Credit) to income	(0.5)	0.2	1.6	1.1	2.4
As at 31 March 2023	**8.3**	**(8.3)**	**1.2**	**1.7**	**2.9**
Reclassification between categories	(0.4)	0.3	0.2	(0.1)	–
Transfer	–	8.0	–	–	8.0
Prior year adjustment	(1.0)	–	–	(1.7)	(2.7)
Charge / (Credit) to income	(0.6)	–	(0.5)	0.6	(0.5)
As at 31 March 2024	**6.3**	**–**	**0.9**	**0.5**	**7.7**

During the year deferred tax assets that reversed, due to timing differences, were mainly due to the utilisation of tax losses and unpaid interest expense in the Group's US business. As set out in the table above in column 'Share based payments and compensation deductible as paid', deferred tax assets at the reporting date were solely due to employee remuneration schemes in the UK and US.

The Group has undertaken a review of the level of recognition of deferred tax assets and is satisfied they are recoverable and therefore have been recognised in full. There are no deferred tax assets recognised on the basis of losses.

In its March 2021 Budget, the UK Government announced that the UK rate of corporation tax would increase from 19% to 25% from 1 April 2023 . This legislative change has been substantively enacted, and has been considered when calculating the closing deferred tax balances at the reporting date.

The mandatory IAS 12 temporary exception from the recognition and disclosure of deferred taxes arising from implementation of the OECD's Pillar Two model rules has been applied. The OECD's Pillar II model rules, which establish a global minimum tax rate of 15% apply for financial years beginning on or after 31 December 2023. The first period the rules are implemented for the Group are from 1 April 2024 (financial year ending 31 March 2025). The Group has performed an impact analysis and does not expect the implementation to be significant.

Notes to the financial statements continued

14. Dividends

Accounting policy

Dividends are distributions of profit to holders of Intermediate Capital Group plc's share capital and as a result are recognised as a deduction in equity. Final dividends are announced with the Annual Report and Accounts and are recognised when they have been approved by shareholders. Interim dividends are announced with the Half Year Results and are recognised when they are paid.

	2024		2023	
	Per share pence	£m	Per share pence	£m
Ordinary dividends paid				
Final	52.2	149.5	57.3	164.4
Interim	25.8	73.9	25.3	72.0
	78.0	223.4	82.6	236.4
Proposed final dividend	**53.2**	**152.6**	**52.2**	**148.8**

Of the £223.4m (2023: £236.4m) of ordinary dividends paid during the year, £1.8m (2023: £4.3m) were reinvested under the dividend reinvestment plan offered to shareholders.

15. Earnings per share

Earnings	Year ended 31 March 2024 £m	Year ended 31 March 2023 £m
Earnings for the purposes of basic and diluted earnings per share being net profit attributable to equity holders of the Parent		
Continuing operations	467.4	221.6
Discontinued operations	6.0	59.0
	473.4	**280.6**
Number of shares		
Weighted average number of ordinary shares for the purposes of basic earnings per share	286,123,236	285,613,961
Effect of dilutive potential ordinary share options	5,888,040	3,698,954
Weighted average number of ordinary shares for the purposes of diluted earnings per share	**292,011,276**	**289,312,915**
Earnings per share for continuing operations[1]		
Basic, profit from continuing operations attributable to equity holders of the parent (pence)	163.4p	77.6p
Diluted, profit from continuing operations attributable to equity holders of the parent (pence)	160.1p	76.6p
Earnings per share for discontinued operations[1]		
Basic, profit from discontinued operations attributable to equity holders of the parent (pence)	2.1p	20.6p
Diluted, profit from discontinued operations attributable to equity holders of the parent (pence)	2.0p	20.4p

1. The prior period has been re-presented to separately disclose Earnings per share for continuing operations and Earnings per share for discontinued operations.

Notes to the financial statements continued

16. Intangible assets

Accounting policy

Business combinations

Business combinations are accounted for using the acquisition method. The acquisition method involves the recognition of all assets, liabilities and contingent liabilities of the acquired business at their fair value at the acquisition date.

The excess of the fair value at the date of acquisition of the cost of investments in subsidiaries over the fair value of the net assets acquired which is not allocated to individual assets and liabilities is determined to be goodwill. Goodwill is reviewed at least annually for impairment.

Investment management contracts

Intangible assets with finite useful lives that are acquired separately, including investment management contracts, are carried at cost less accumulated depreciation and impairment losses. These are measured at cost and are amortised on a straight line basis over the expected life of the contract (eight years).

Computer software

Research costs associated with computer software are expensed as they are incurred.

Other expenditure incurred in developing computer software is capitalised only if all of the following criteria are demonstrated:
- An asset is created that can be separately identified;
- It is probable that the asset created will generate future economic benefits; and
- The development cost of the asset can be measured reliably.

Following the initial recognition of development expenditure, the cost is amortised over the estimated useful life of the asset created, which is determined as three years. Amortisation commences on the date that the asset is brought into use. Work-in-progress assets are not amortised until they are brought into use and transferred to the appropriate category of intangible assets. Amortisation of intangible assets is included in administrative expenses in the income statement and detailed in note 11.

Impairment of non-financial assets and goodwill

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Notes to the financial statements continued

16. Intangible assets continued

Group	Computer software		Goodwill[1]		Investment management contracts		Total	
	2024 £m	2023 £m	2024 £m	2023 £m	2024 £m	2023 £m	2024 £m	2023 £m
Cost								
At 1 April	25.0	20.5	4.3	4.3	19.1	26.3	48.4	51.1
Reclassified[3]	(0.8)	–	–	–	–	–	(0.8)	–
Additions	6.3	4.7	–	–	–	–	6.3	4.7
Derecognised[2]	(12.5)	(0.3)	–	–	(18.3)	(7.1)	(30.8)	(7.4)
Exchange differences	(0.1)	0.1	–	–	0.3	(0.1)	0.2	–
At 31 March	**17.9**	**25.0**	**4.3**	**4.3**	**1.1**	**19.1**	**23.3**	**48.4**
Amortisation								
At 1 April	16.4	12.4	–	–	17.1	21.6	33.5	34.0
Charge for the year	3.4	4.0	–	–	2.2	2.7	5.6	6.7
Derecognised[2]	(12.5)	–		–	(18.3)	(7.2)	(30.8)	(7.2)
At 31 March	**7.3**	**16.4**	**–**	**–**	**1.0**	**17.1**	**8.3**	**33.5**
Net book value	**10.6**	**8.6**	**4.3**	**4.3**	**0.1**	**2.0**	**15.0**	**14.9**

1. Goodwill was acquired in the ICG-Longbow Real Estate Capital LLP business combination and represents a single cash generating unit. The recoverable amount of the real estate cash generating unit is based on fair value less costs to sell where the fair value equates to a multiple of adjusted net income, in line with the original consideration methodology. The significant headroom on the recoverable amount is not sensitive to any individual assumption.
2. Investment management contracts and Computer Software derecognised represented fully amortised balances.
3. During the year, assets previously classified as computer software were determined to relate to leasehold improvements. These assets were transferred at book value and there was no profit or loss arising on transfer.

Company	Computer software		Investment management contracts		Total	
	2024 £m	2023 £m	2024 £m	2023 £m	2024 £m	2023 £m
Cost						
At 1 April	23.8	20.4	18.3	19.9	42.1	40.3
Additions	6.2	3.6	–	–	6.2	3.6
Derecognised[1]	(12.9)	(0.2)	(18.3)	(1.6)	(31.2)	(1.8)
At 31 March	**17.1**	**23.8**	**–**	**18.3**	**17.1**	**42.1**
Amortisation						
At 1 April	16.5	12.5	16.4	15.7	32.9	28.2
Charge for the year	3.4	4.0	1.9	2.3	5.3	6.3
Derecognised[1]	(12.5)	–	(18.3)	(1.6)	(30.8)	(1.6)
At 31 March	**7.4**	**16.5**	**–**	**16.4**	**7.4**	**32.9**
Net book value	**9.7**	**7.3**	**–**	**1.9**	**9.7**	**9.2**

1. Investment management contracts derecognised represented fully amortised balances.

During the financial year ended 31 March 2024, the Group recognised an expense of £0.1m (2023: £0.5m) in respect of research and development expenditure.

Notes to the financial statements continued

17. Property, plant and equipment

Accounting policy

The Group's property, plant and equipment provide the infrastructure to enable the Group to operate. Assets are initially stated at cost, which includes expenditure associated with acquisition. The cost of the asset is recognised in the income statement as an amortisation charge on a straight line basis over the estimated useful life, determined as three years for furniture and equipment and five years for short leasehold premises. Right of Use ('ROU') assets and associated leasehold improvements are amortised over the full contractual lease term.

Group as a lessee

Included within the Group's property, plant and equipment are its ROU assets. ROU assets are the present value of the Group's global leases and comprise all future lease payments, and all expenditure associated with acquiring the lease. The Group's leases are primarily made up of its global offices. The Group has elected to capitalise initial costs associated with acquiring a lease before commencement as a ROU asset. The cost of the ROU asset is recognised in the income statement as an amortisation charge on a straight line basis over the life of the lease term.

Short-term leases and leases of low value assets

The Group applies the short-term lease recognition exemption to its short-term leases (those that have a lease term of 12 months or less from the commencement date which do not contain a purchase option). The Group also applies the recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as administrative expenses on a straight line basis over the lease term.

	Furniture and equipment		ROU asset		Leasehold improvements		Total	
Group	**2024 £m**	**2023 £m**	**2024 £m**	**2023 £m**	**2024 £m**	**2023 £m**	**2024 £m**	**2023 £m**
Cost								
At 1 April	7.5	4.5	90.0	67.7	14.7	11.3	112.2	83.5
Reclassified[1]	–	–	–	–	0.8	–	0.8	–
Additions	1.3	3.1	1.2	33.8	1.9	3.4	4.4	40.3
Disposals	(2.9)	(0.4)	(1.2)	(11.7)	(0.6)	–	(4.7)	(12.1)
Exchange differences	–	0.3	(0.9)	0.2	–	–	(0.9)	0.5
At 31 March	**5.9**	**7.5**	**89.1**	**90.0**	**16.8**	**14.7**	**111.8**	**112.2**
Depreciation								
At 1 April	4.2	2.9	16.8	18.2	3.0	2.0	24.0	23.1
Charge for the year	1.7	1.4	9.2	9.1	1.5	1.0	12.4	11.5
Disposals	(3.1)	(0.1)	(0.3)	(10.5)	(0.4)	–	(3.8)	(10.6)
At 31 March	**2.8**	**4.2**	**25.7**	**16.8**	**4.1**	**3.0**	**32.6**	**24.0**
Net book value	**3.1**	**3.3**	**63.4**	**73.2**	**12.7**	**11.7**	**79.2**	**88.2**

1. During the year, assets previously classified as computer software were determined to relate to leasehold improvements. These assets were transferred at book value and there was no profit or loss arising on transfer.

Notes to the financial statements continued

17. Property, plant and equipment continued

	Furniture and equipment		ROU asset		Leasehold improvements		Total	
Company	2024 £m	2023 £m	2024 £m	2023 £m	2024 £m	2023 £m	2024 £m	2023 £m
Cost								
At 1 April	3.1	2.8	47.5	50.1	9.9	9.5	60.5	62.4
Additions	0.3	0.3	–	–	0.3	0.4	0.6	0.7
Disposals	(2.3)	–	–	(2.6)	–	–	(2.3)	(2.6)
At 31 March	**1.1**	**3.1**	**47.5**	**47.5**	**10.2**	**9.9**	**58.8**	**60.5**
Depreciation								
At 1 April	2.4	1.6	12.2	9.8	1.9	1.1	16.5	12.5
Charge for the year	0.4	0.8	4.2	4.0	1.0	0.8	5.6	5.6
Disposals	(2.3)	–	–	(1.6)	–	–	(2.3)	(1.6)
At 31 March	**0.5**	**2.4**	**16.4**	**12.2**	**2.9**	**1.9**	**19.8**	**16.5**
Net book value	**0.6**	**0.7**	**31.1**	**35.3**	**7.3**	**8.0**	**39.0**	**44.0**

Group as Lessor

Accounting policy

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease term and is included in other income in the consolidated income statement due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and amortised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

The Group has entered into sub-lease agreements of certain office buildings (see note 17 above). These leases have terms of between two and five years. Rental income recognised by the Group during the year was £0.4m (2023: £0.4m). Future minimum rentals receivable under non-cancellable operating leases as at 31 March are as follows:

Group	2024 £m	2023 £m
Within one year	0.4	0.4
After one year but not more than five years	0.4	0.8
At 31 March	**0.8**	**1.2**

Notes to the financial statements continued

18. Investment property

Accounting policy

The Group holds investment property for the development of the Group's long-term real assets strategy. Properties are being held with a purpose to earn rental income and/or for capital appreciation and are not occupied by the Group. IAS 40 Investment Property requires that the property be measured initially at cost, including transaction costs, and subsequently measured at fair value. Gains or losses from changes in the fair values of investment properties are included in the profit or loss in the period in which they arise. The fair value of the investment properties (Level 3) has been recorded based on independent valuations prepared by Knight Frank, third-party real estate valuation specialists in line with the Royal Institution of Chartered Surveyors Valuation – Global Standards 2020. A market and income approach was performed to estimate the fair value of the Group's investments. These valuation techniques can be subjective and include assumptions which are not supportable by observable data. Details of the valuation techniques and the associated sensitivities are further disclosed in note 5.

Group	2024 £m	2023 £m
Investment property at fair value		
At 1 April	0.8	1.5
Additions	51.9	–
Reclassified[1]	54.5	–
Fair value loss	(24.5)	(0.7)
At 31 March	**82.7**	**0.8**

1. Prior to the financial year end, the Group reclassified £54.5m of disposal groups held for sale to investment property.

During the year, the Group held £0.0m (2023: £284.0m) of investment property within discontinued operations (see note 28).

The losses arising from investment properties carried at fair value is £(24.5)m (2023: £(0.7)m).

The Group has no restrictions on the realisability of its investment properties and no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance and enhancements.

Notes to the financial statements continued

19. Trade and other receivables

Accounting policy

Trade and other receivables represent amounts the Group is due to receive in the normal course of business and are held at amortised cost. Trade and other receivables excluding those held in structured entities controlled by the Group include performance fees, which are considered contract assets under IFRS 15 and will only be received after realisation of the underlying assets, see note 3 and note 30. Trade and other receivables within structured entities controlled by the Group relate principally to unsettled trades on the sale of financial assets.

Amounts owed by Group companies are repayable on demand. To the extent that amounts are owed by Group companies engaged in investment activities the Company has assessed these receivables as non-current, reflecting the illiquidity of the underlying investments. Trade and other receivables from Group entities are considered related party transactions as stated in note 26.

The carrying value of trade and other receivables reported within current assets approximates fair value as these are short term and do not contain any significant financing components. The carrying value of trade and other receivables reported within non-current assets approximates fair value as these do not contain any significant financing components.

The Company has adopted the simplified approach to measuring the loss allowance as lifetime Expected Credit Loss ('ECL'), as permitted under IFRS 9. The ECL of trade and other receivables arising from transactions with Group entities or its affiliates are expected to be nil or close to nil. The assets do not contain any significant financing components, therefore the simplified approach is deemed most appropriate.

	Group		Company	
	2024 £m	2023 £m	2024 £m	2023 £m
Trade and other receivables within structured entities controlled by the Group	107.6	43.7	–	–
Trade and other receivables excluding those held in structured entities controlled by the Group	240.2	178.3	27.8	33.2
Amount owed by Group companies	–	–	0.9	169.2
Prepayments	41.8	10.0	8.6	8.1
Total current assets	**389.6**	**232.0**	**37.3**	**210.5**
Non-current assets				
Trade and other receivables excluding those held in structured entities controlled by the Group	36.1	37.1	24.3	7.6
Amounts owed by Group companies	–	–	734.4	758.7
Total non-current assets	**36.1**	**37.1**	**758.7**	**766.3**

Non-current trade and other receivables excluding those held in structured entities controlled by the Group comprises performance-related fees (see note 3).

Notes to the financial statements continued

20. Trade and other payables

Accounting policy

Trade and other payables within structured entities controlled by the Group relate principally to unsettled trades on the purchase of financial assets within structured entities controlled by the Group. Trade and other payables excluding those held in structured entities controlled by the Group are held at amortised cost and represent amounts the Group is due to pay in the normal course of business. Amounts owed to Group companies are repayable on demand. The carrying value of trade and other payables approximates fair value as these are short term and do not contain any significant financing components.

Trade and other payables from Group entities are considered related party transactions as stated in note 26.

Key sources of estimation uncertainty on trade and other payables excluding those held in structured entities controlled by the Group.

Payables related to the DVB scheme are key estimates based on the inputs described in note 12. The sensitivity of the DVB to a 10% increase in the fair value of the underlying investments is an increase of £13.13m (2023: £10.25m) and to a decrease of 10% is a decrease of £13.13m (2023: £10.25m).

	Group		Company	
	2024 £m	2023 £m	2024 £m	2023 £m
Trade and other payables within structured entities controlled by the Group	316.3	328.1		–
Trade and other payables excluding those held in structured entities controlled by the Group	209.6	140.2	19.5	121.2
Amounts owed to Group companies	–	–	1,098.9	1,035.0
Social security tax	3.3	3.1	2.4	2.5
Total current trade and other payables	**529.2**	**471.4**	**1,120.8**	**1,158.7**
Non-current liabilities				
Trade and other payables excluding those held in structured entities controlled by the Group	66.0	71.1	0.3	71.3
Total non-current trade and other payables	**66.0**	**71.1**	**0.3**	**71.3**

Current trade and other payables excluding those held in structured entities controlled by the Group includes £78.0m (2023: £67.5m) in respect of other compensation costs and £65.3m (2023: £31.4m) in respect of DVB, (see note 12) and non-current Trade and other payables excluding those held in structured entities controlled by the Group is entirely comprised of amounts payable in respect of DVB (2023: all DVB).

21. Financial risk management

The Group has identified financial risk, comprising market and liquidity risk, as a principal risk. Further details are set out on page 43. The Group has exposure to market risk (including exposure to interest rates and foreign currency), liquidity risk and credit risk arising from financial instruments.

Interest rate risk

The Group's assets include both fixed and floating rate loans.

The Group's operations are financed with a combination of its shareholders' funds, bank borrowings, private placement notes, public bonds, and fixed and floating rate notes. The Group manages its exposure to market interest rate movements by matching, to the extent possible, the interest rate profiles of assets and liabilities and by using derivative financial instruments.

The sensitivity of floating rate financial assets to a 100 basis points interest rate increase is £56.0m (2023: £56.5m) and to a decrease is £56.0m (2023: £(56.5)m). The sensitivity of financial liabilities to a 100 basis point interest rate increase is £46.9m (2023: £47.1m) and to a decrease is £46.9m (2023: £(47.1)m). These amounts would be reported within Net gains on investments. There is an indirect exposure to interest rate risk through the impact on the performance of the portfolio companies of the funds that the Group has invested in, and therefore the fair valuations. There is no interest rate risk exposure on fixed rate financial assets or liabilities.

Notes to the financial statements continued

21. Financial risk management continued

Exposure to interest rate risk

Group	2024 Floating £m	2024 Fixed £m	2024 Total £m	2023 Floating £m	2023 Fixed £m	2023 Total £m
Financial assets (excluding investments in loans held in consolidated entities)	839.5	3,023.4	3,862.9	744.4	3,049.1	3,793.5
Investments in loans held in consolidated entities	4,762.4	319.9	5,082.3	4,901.1	253.9	5,155.0
Financial liabilities (excluding borrowings and loans held in consolidated entities)	–	(1,734.6)	(1,734.6)	–	(1,929.2)	(1,929.2)
Borrowings and loans held in consolidated entities	(4,688.9)	(391.2)	(5,080.1)	(4,706.6)	(371.5)	(5,078.1)
	913.0	**1,217.5**	**2,130.5**	**938.9**	**1,002.3**	**1,941.2**

Foreign exchange risk

The Group is exposed to currency risk in relation to non-sterling currency transactions and the translation of non-sterling net assets. The Group's most significant exposures are to the euro and the US dollar. Exposure to currency risk is managed by matching assets with liabilities to the extent possible and through the use of derivative instruments.

The Group regards its interest in overseas subsidiaries as long-term investments. Consequently, it does not hedge the translation effect of exchange rate movements on the financial statements of these businesses. The Group is also exposed to currency risk arising on the translation of fund management fee income receipts, which are primarily denominated in euro and US dollar.

The effect of fluctuations in other currencies is considered by the Directors to be insignificant in the current and prior year. The net assets/(liabilities) by currency and the sensitivity of the balances to a strengthening of foreign currencies against sterling are shown below:

Market risk - Foreign exchange risk (2024)	Net statement of financial Position exposure £m	Forward exchange contracts £m	Net exposure £m	Sensitivity to strengthening %	Increase in net assets £m
Sterling	401.7	1,121.1	1,522.8	–	–
Euro	804.0	(450.7)	353.3	15%	53.0
US dollar	710.3	(492.1)	218.2	20%	43.6
Other currencies	206.7	(178.2)	28.5	10-25%	–
	2,122.7	0.1	2,122.8	–	96.6

2023	Net statement of financial Position exposure £m	Forward exchange contracts £m	Net exposure £m	Sensitivity to strengthening %	Increase in net assets £m
Sterling	726.8	772.7	1,499.5	–	–
Euro	552.0	(259.3)	292.7	15%	43.9
US dollar	564.5	(324.9)	239.6	20%	47.9
Other currencies	195.6	(182.2)	13.4	10-25%	–
	2,038.9	6.3	2,045.2	–	91.8

The weakening of the above currencies would have resulted in an equal but opposite impact, being a decrease in net assets.

Notes to the financial statements continued

21. Financial risk management continued

Liquidity risk

The Group makes commitments to its managed funds in advance of that capital being invested. These commitments are typically drawn over a five-year investment period (see note 25 for outstanding commitments). Funds typically have a 10-year contractual life. The Group manages its liquidity risk by maintaining headroom on its financing facilities.

The table below shows the liquidity profile of the Group's financial liabilities, based on contractual repayment dates of principal and interest payments. Future interest and principal cash flows have been calculated based on exchange rates and floating rate interest rates as at 31 March 2024. It is assumed that Group borrowings under its senior debt facilities remain at the same level as at 31 March 2024 until contractual maturity. Included in financial liabilities are contractual interest payments. All financial liabilities, excluding structured entities controlled by the Group, are held by the Company.

Liquidity profile

	Contractual maturity analysis				
As at 31 March 2024	Less than one year £m	One to two years £m	Two to five y ears £m	More than five years £m	Total £m
Financial liabilities					
Private placements	267.0	194.7	185.2	–	646.9
Listed notes and bonds	17.6	17.6	466.5	438.1	939.8
Debt issued by controlled structured entities	576.8	262.6	2,065.3	4,362.8	7,267.5
Derivative financial instruments	0.9	(4.8)	–	–	(3.9)
Lease liabilities	10.8	10.4	30.1	34.6	85.9
Other financial liabilities	9.2	1.4	23.2	0.0	33.8
	882.3	**481.9**	**2,770.3**	**4,835.5**	**8,970.0**

As at 31 March 2024 the Group has liquidity of £1,177.4m (2023: £1,099.9m) which consists of undrawn debt facility of £550m (2023: £550m) and £627.4m (2023: £549.9m) of unencumbered cash. Unencumbered cash excludes £362.6m (2023: £407.6m) of restricted cash held principally by structured entities controlled by the Group.

	Contractual maturity analysis				
As at 31 March 2023	Less than one year £m	One to two years £m	Two to five years £m	More than five years £m	Total £m
Financial liabilities					
Private placements	78.2	273.5	282.2	106.7	740.6
Listed notes and bonds	18.1	18.1	486.8	461.5	984.5
Debt issued by controlled structured entities	176.3	204.6	2,430.4	3,748.0	6,559.3
Derivative financial instruments	(1.6)	(3.1)	(4.4)	–	(9.1)
Lease liabilities	8.5	11.3	32.0	46.1	97.9
	279.5	**504.4**	**3,227.0**	**4,362.3**	**8,373.2**

The Group's policy is to maintain continuity of funding. Due to the long-term nature of the Group's assets, the Group seeks to ensure that the maturity of its debt instruments is matched to the expected maturity of its assets.

Notes to the financial statements continued

21. Financial risk management continued

Credit risk

Credit risk is the risk of financial loss to the Group as a result of a counterparty failing to meet its contractual obligations. This risk is principally in connection with the Group's investments.

This risk is mitigated by the disciplined credit procedures that the relevant Fund Investment Committees have in place prior to making an investment and the ongoing monitoring of investments throughout the ownership period. In addition, the risk of significant credit loss is further mitigated by the Group's diversified investment portfolio in terms of geography and industry sector. The Group is exposed to credit risk through its financial assets (see note 5) and investment in joint ventures reported at fair value.

Exposure to credit risk

	Group		Company	
	2024 £m	2023 £m	2024 £m	2023 £m
Investment in private and public companies	406.2	267.3	87.1	86.1
Investment in managed funds	2,310.0	2,153.4	134.2	178.8
Non-consolidated CLOs and credit funds	131.0	113.3	21.8	23.8
Consolidated CLOs and credit funds	4,617.5	4,669.1	–	–
Derivatives assets	9.3	22.0	9.3	22.0
Investment in joint venture	–	5.8	–	–
Total financial assets at fair value	**7,474.0**	**7,230.9**	**252.4**	**310.7**

The Group manages its operational cash balance by the regular forecasting of cash flow requirements, debt management and cash pooling arrangements. Credit risk exposure on cash and derivative instruments is managed in accordance with the Group's treasury policy which provides limits on exposures with any single financial institution. The majority of the Group's surplus cash is held in AAA rated Money Market funds. Other credit exposures arise from outstanding derivatives with financial institutions rated from A- to A+.

The Group is exposed to credit risk as a result of financing guarantees provided. The maximum exposure to guarantees is £7.3m (2023: £7.9m). No liability has been recognised in respect of these guarantees. The Directors consider the Group's credit exposure to trade and other receivables to be low and as such no further analysis has been presented. The Directors consider the credit risk of consolidated CLOs and credit funds to be low.

The Group's investments in consolidated CLOs and credit funds controlled by the Group principally comprise senior loans. The Group's exposure to the credit risk of this collateral, in these consolidated entities, is limited to its investment into these entities, which at 31 March 2024 was £297.8m (2023: £339.4m).

The carrying amount of financial assets at fair value through profit and loss represents the Directors' assessment of the maximum credit risk exposure of the Group and Company at the balance sheet date.

Other than the Group investments in non-consolidated CLOs and consolidated CLOs, the Group has no direct exposure to defaulted and past due financial assets.

Capital management

Managing capital is the ongoing process of determining and maintaining the quantity and quality of capital appropriate for the Group and ensuring capital is deployed in a manner consistent with the expectations of our stakeholders. The primary objectives of the Group's capital management are (i) align the Group's interests with its clients, (ii) grow third-party fee income in the FMC and (iii) maintain robust capitalisation, including ensuring that the Group complies with externally imposed capital requirements by the Financial Conduct Authority (the FCA). The Group's strategy has remained unchanged from the year ended 31 March 2024.

(i) Regulatory capital requirements

The Group is required to hold capital resources to cover its regulatory capital requirements. The Group's capital for regulatory purposes comprises the capital and reserves of the Company, comprising called up share capital, reserves and retained earnings as disclosed in the Statement of Changes in Equity (see page 128). The full Pillar 3 disclosures are available on the Group's website: www.icgam.com.

Notes to the financial statements continued

21. Financial risk management continued

(ii) Capital and risk management policies

The formal procedures for identifying and assessing risks that could affect the capital position of the Group are described in the Strategic Report on page 40. The capital structure of the Group under UK-adopted IAS consists of cash and cash equivalents, £990m (2023: £957.5m) (see note 6); debt, which includes borrowings, £1,447.4m, (2023: £1,536.7m) (see note 7) and the capital and reserves of the Company, comprising called up share capital, reserves and retained earnings as disclosed in the Statement of Changes in Equity, £896.5m (2023: £825.8m). Details of the Reportable segment capital structure are set out in note 4.

22. Called up share capital and share premium

Share capital represents the number of issued ordinary shares in Intermediate Capital Group plc multiplied by their nominal value of 26¼p each.

Under the Company's Articles of Association, any share in the Company may be issued with such rights or restrictions, whether in regard to dividend, voting, transfer, return of capital or otherwise as the Company may from time to time by ordinary resolution determine or, in the absence of any such determination, as the Board may determine. All shares currently in issue are ordinary shares of 26¼p each carrying equal rights. The Articles of Association of the Company cannot be amended without shareholder approval.

The Directors may refuse to register any transfer of any share which is not a fully paid share, although such discretion may not be exercised in a way which the Financial Conduct Authority regards as preventing dealings in the shares of the relevant class or classes from taking place on an open and proper basis. The Directors may likewise refuse to register any transfer of a share in favour of more than four persons jointly.

The Company is not aware of any other restrictions on the transfer of ordinary shares in the Company other than:
- Certain restrictions that may from time to time be imposed by laws and regulations (for example, insider trading laws or the UK Takeover Code)
- Pursuant to the Listing Rules of the Financial Conduct Authority whereby certain employees of the Company require approval of the Company to deal in the Company's shares

The Company has the authority limited by shareholder resolution to issue, buy back, or cancel ordinary shares in issue (including those held in trust, described below). New shares are issued when share options are exercised by employees. The Company has 294,365,326 authorised shares (2023: 294,332,182)

Group and Company	Number of ordinary shares of 26¼p allotted, called up and fully paid	Share Capital £m	Share Premium £m
1 April 2023	294,332,182	77.3	180.9
Shares issued	33,144	–	0.4
31 March 2024	**294,365,326**	**77.3**	**181.3**

Group and Company	Number of ordinary shares of 26¼p allotted, called up and fully paid	Share Capital £m	Share Premium £m
1 April 2022	294,285,804	77.3	180.3
Shares issued	46,378	–	0.6
31 March 2023	**294,332,182**	**77.3**	**180.9**

Notes to the financial statements continued

23. Own shares reserve

Accounting policy

Own shares are recorded by the Group when ordinary shares are purchased in the market by ICG plc or through the ICG Employee Benefit Trust 2015 ('EBT').

The EBT is a special purpose vehicle, with the purpose of purchasing and holding shares of the Company for the hedging of future liabilities arising as a result of the employee share-based compensation schemes (see note 24), in a way that does not dilute the percentage holdings of existing shareholders.

Own shares are held at cost and their purchase reduces the Group's net assets by the amount spent. When shares vest or are cancelled, they are transferred from own shares to the retained earnings reserve at their weighted average cost. No gain or loss is recognised on the purchase, sale, issue or cancellation of the Company's own shares.

The movement in the year is as follows:

	2024 £m	2023 £m	2024 Number	2023 Number
1 April	103.4	93	9,249,895	7,734,849
Purchased (ordinary shares of 26¼p)	–	38.9	–	3,000,000
Options/awards exercised	(24.2)	(28.5)	(1,583,032)	(1,484,954)
As at 31 March	**79.2**	**103.4**	**7,666,863**	**9,249,895**

Of the total shares held by the Group, 3,733,333 shares were held by the Company in the Own Share Reserve at 31 March 2024 and 31 March 2023 at a cost of £21.3m. These shares were purchased through a share buy back programme in prior years.

The number of shares held by the Group at the balance sheet date represented 2.6% (2023: 3.1%) of the Parent Company's allotted, called up and fully paid share capital.

24. Share-based payments

Accounting policy

The Group issues compensation to its employees under both equity-settled and cash-settled share-based payment plans.

Equity-settled share-based payments are measured at the fair value of the awards at grant date. The fair value includes the effect of non-market-based vesting conditions. The fair value determined at the date of grant is expensed on a straight-line basis over the vesting period.

At each reporting date, the Group revises its estimate of the number of equity instruments expected to vest as a result of non-market-based vesting conditions. The impact of the revision of the original estimates, if any, is recognised in the income statement with a corresponding adjustment to equity.

The total charge to the income statement for the year was £43.9m (2023: £39.5m) and this was credited to the share-based payments reserve. Details of the different types of awards are as follows:

Intermediate Capital Group plc Omnibus Plan

The Omnibus Plan provides for three different award types: Deferred Share Awards, PLC Equity Awards and Special Recognition Awards.

Deferred Share Awards

Awards are made after the end of the financial year (and in a small number of cases during the year) to reward employees for delivering cash profits, managing the cost base, and employing sound risk and business management. These share awards typically vest one-third at the end of the first, second and third years following the year of grant, unless the individual leaves for cause or to join a competitor. Dividend equivalents accrue to participants during the vesting period and are paid at the vesting date. Awards are based on performance against the individual's objectives. There are no further performance conditions.

Notes to the financial statements continued

24. Share-based payments continued

PLC Equity Awards

Awards are made after the end of the financial year to reward employees, including Executive Directors, for increasing long-term shareholder value. These share awards typically vest one-third at the end of the third, fourth and fifth years following the year of grant, unless the individual leaves for cause or to join a competitor. Dividend equivalents accrue to participants during the vesting period and are paid at the vesting date. Awards are based on performance against the individual's objectives. There are no further performance conditions.

Special Recognition Awards

Awards are made after the end of the financial year to reward employees for delivering cash profits, managing the cost base, and employing sound risk and business management. These share awards vest at the end of the first year following the year of grant, unless the individual leaves for cause or to join a competitor. Dividend equivalents accrue to participants during the vesting period and are paid at the vesting date. Awards are based on performance against the individual's objectives. There are no further performance conditions.

Share awards outstanding under the Omnibus Plan were as follows:

	Number		Weighted average fair value	
Deferred share awards	**2024**	**2023**	**2024**	**2023**
Outstanding at 1 April	**2,964,516**	2,470,280	**15.75**	16.52
Granted	**2,316,207**	1,811,061	**13.35**	14.27
Vested	**(1,476,697)**	(1,316,825)	**15.62**	15.00
Outstanding as at 31 March	**3,804,026**	2,964,516	**14.35**	15.75

	Number		Weighted average fair value	
PLC Equity awards	**2024**	**2023**	**2024**	**2023**
Outstanding at 1 April	**2,142,252**	2,139,210	**12.2**	10.3
Granted	**982,261**	777,577	**13.4**	14.3
Vested	**471,806**	(774,535)	**12.2**	9.8
Outstanding as at 31 March	**3,596,319**	2,142,252	**14.7**	12.2

	Number		Weighted average fair value	
Special Recognition Awards	**2024**	**2023**	**2024**	**2023**
Outstanding as at 1 April	**46,154**	–	**14.27**	–
Granted	**–**	46,154	**0.00**	14.27
Vesting	**(46,154)**	–	**14.27**	–
Outstanding as at 31 March	**–**	46,154	**–**	14.27

The fair values of awards granted under the ICG plc Omnibus Plan are determined by the average share price for the five business days prior to grant

Notes to the financial statements continued

24. Share-based payments continued

Intermediate Capital Group plc Buy Out Awards

Buy Out Awards are shares awarded to new employees in lieu of prior awards forfeited. These share awards shall vest or be forfeited according to the schedule and terms of the forfeited awards, and any performance conditions detailed in the individual's employment contract. Buy Out Awards may be cash settled. Buy Out Awards outstanding were as follows:

	Number		Weighted average fair value	
Buy Out Awards	**2024**	**2023**	**2024**	**2023**
Outstanding as at 1 April	1,097,088	155,940	12.96	12.85
Granted	180,336	1,307,916	14.46	12.68
Vesting	(468,121)	(366,768)	13.55	13.35
Outstanding as at 31 March	**809,303**	**1,097,088**	**13.41**	**12.96**

The fair values of the Buy Out Awards granted are determined by the average share price for the five business days prior to grant.

Save As You Earn

The Group offers a Sharesave Scheme ('SAYE') to its UK employees. Options are granted at a 20% discount to the prevailing market price at the date of issue. Options to this equity-settled scheme are exercisable at the end of a three-year savings contract. Participants are not entitled to dividends prior to the exercise of the options. The maximum amount that can be saved by a participant in this way is £6,000 in any tax year.

Fair value is measured using the Black–Scholes valuation model, which considers the current share price of the Group, the risk-free interest rate and the expected volatility of the share price over the life of the award. The expected volatility was calculated by analysing three years of historic share price data of the Group.

The total amount to be expensed over the vesting period is determined by reference to the fair value of the share awards and options at grant date, which is remeasured at each reporting date. The total amount to be expensed during the year is £169,587 (2023: £210,031).

	Number		Weighted average fair value	
Save As You Earn	**2024**	**2023**	**2024**	**2023**
Outstanding as at 1 April	103,818	199,737	5.0	4.5
Granted	197,452	–	4.0	–
Vesting	(32,851)	(46,378)	3.3	3.3
Forfeited	(46,298)	(49,541)	5.5	4.3
Outstanding as at 31 March	**222,121**	**103,818**	**4.3**	**5.0**

Growth Incentive Award

The Growth Incentive Award ('GIA') is a market-value share option. Grants of options are made following the end of the financial year to reward employees for performance and to enhance alignment of interests. The GIA is a right to acquire shares during the exercise period (seven years following the vesting date) for a price equal to the market value of those shares on the grant date. These options vest at the end of the third year following the year of grant, unless the individual leaves for cause or to join a competitor. Awards are based on performance against the individual's objectives.

	Number		Weighted average fair value	
Growth Incentive Award	**2024**	**2023**	**2024**	**2023**
Outstanding as at 1 April	463,000	–	3.13	–
Granted	–	480,000	–	3.13
Vesting	–	–	–	–
Forfeited	(52,000)	(17,000)	3.13	–
Outstanding as at 31 March	**411,000**	**463,000**	**3.13**	**3.13**

Notes to the financial statements continued

25. Financial commitments

As described in the Strategic Report, the Group invests balance sheet capital alongside the funds it manages to grow the business and create long-term shareholder value. Commitments are made at the time of a fund's launch and are drawn down with the fund as it invests (typically over five years). Commitments may increase where distributions made are recallable. Commitments are irrevocable. At the balance sheet date the Group had undrawn commitments, which can be called on over the commitment period, as follows:

	2024 £m	2023 £m
ICG Europe Fund V	24.2	29.9
ICG Europe Fund VI	79.8	82.0
ICG Europe Fund VII	105.2	111.7
ICG Europe Fund VIII	192.4	185.5
ICG Mid-Market Fund	14.3	25.1
ICG Mid-Market Fund II	64.1	–
Intermediate Capital Asia Pacific Fund III	60.7	45.4
ICG Asia Pacific Fund IV	52.3	93.5
ICG Strategic Secondaries Fund II	32.1	33.1
ICG Strategic Equity Fund III	95.9	72.3
ICG Strategic Equity Fund IV	35.6	38.8
ICG Strategic Equity Fund V	79.2	–
ICG Recovery Fund II	40.8	34.3
LP Secondaries	20.8	47.4
ICG Senior Debt Partners II	4.0	3.8
ICG Senior Debt Partners III	5.1	5.8
ICG Senior Debt Partners IV	6.7	7.3
Senior Debt Partners V	26.6	42.3
Senior Debt Partners NYCERS	1.6	–
ICG North American Private Debt Fund	26.9	27.5
ICG North American Private Debt Fund II	24.6	27.9
ICG North American Credit Partners III	79.2	38.1
ICG-Longbow UK Real Estate Debt Investments V	0.2	0.2
ICG-Longbow UK Real Estate Debt Investments VI	12.4	13.9
ICG-Longbow Development Fund	6.8	6.8
ICG Living	20.9	21.8
ICG Infrastructure Equity Fund I	31.7	59.8
ICG Infrastructure Equity Fund II	10.1	–
ICG Private Markets Pooling - Sale and Leaseback	18.4	35.9
ICG Sale & Leaseback II	16.5	17.00
ICG Metropolitan 2	36.8	–
	1,225.9	**1,107.1**

Notes to the financial statements continued

26. Related party transactions

Subsidiaries

The Group is not deemed to be controlled or jointly controlled by any party directly or through intermediaries. The Group consists of the Parent Company, Intermediate Capital Group plc, incorporated in the UK, and its subsidiaries listed in note 27. All entities meeting the definition of a controlled entity as set out in IFRS 10 are consolidated within the results of the Group. All transactions between the Parent Company and its subsidiary undertakings are classified as related party transactions for the Parent Company financial statements and are eliminated on consolidation. Significant transactions with subsidiary undertakings relate to dividends received, the aggregate amount received during the year is £240.0m (2023: £386.6m) and recharge of costs to a subsidiary of £93.2m (2023: £168.5m)

Associates and joint ventures

An associate is an entity over which the Group has significant influence, but not control, over the financial and operating policy decisions of the entity. As the investments in associates are held for venture capital purposes they are designated at fair value through profit or loss. A joint venture is an arrangement whereby the parties have joint control over the arrangements, see note 29. Where the investment is held for venture capital purposes they are designated as fair value through profit or loss. These entities are related parties and the significant transactions with associates and joint ventures are as follows:

	2024 £m	2023 £m
Income statement		
Net gains/(losses) on investments	84.5	(17.2)
	84.5	**(17.2)**

	2024 £m	2023 £m
Statement of financial position		
Trade and other receivables	179.2	66.8
Trade and other payables	(155.0)	(52.3)
	24.2	**14.5**

Notes to the financial statements continued

26. Related party transactions continued

Unconsolidated structured entities

The Group has determined that, where the Group holds an investment, loan, fee receivable, guarantee or commitment with an investment fund, carried interest partnership or CLO, this represents an interest in a structured entity in accordance with IFRS 12 Disclosure of Interest in Other Entities (see note 30). The Group provides investment management services and receives management fees (including performance-related fees) and dividend income from these structured entities, which are related parties. Amounts receivable and payable from these structured entities arising in the normal course of business remain outstanding. At 31 March 2023, the Group's interest in and exposure to unconsolidated structured entities are as follows:

	2024 £m	2023 £m
Income statement		
Management fees	502.5	473.5
Performance fees	75.7	19.4
Dividend income	–	0.1
	578.2	**493.0**

	2024 £m	2023 £m
Statement of financial position		
Performance fees receivable	83.7	37.5
Trade and other receivables	848.1	781.9
Trade and other payables	(807.4)	(718.3)
	124.4	**101.1**

Key management personnel

Key management personnel are defined as the Executive Directors. The Executive Directors of the Group are Benoît Durteste , David Bicarregui and Antje Hensel-Roth.

The compensation of key management personnel during the year was as follows:

	2024 £m	2023 £m
Short-term employee benefits	3.7	3.7
Post-employment benefits	0.2	0.1
Other long-term benefits	0.2	0.9
Share-based payment benefits	6.9	7.0
	11.0	**11.7**

Notes to the financial statements continued

26. Related party transactions continued

Fees paid to Non-Executive Directors were as follows:

	2024 £000	2023 £000
William Rucker	**375.0**	63.9
Andrew Sykes	**120.0**	290.5
Rosemary Leith	**134.5**	113.9
Matthew Lester	**120.5**	116.5
Virginia Holmes	**120.5**	120.5
Stephen Welton	**90.5**	90.5
Amy Schioldager	**125.0**	125.0
Rusty Nelligan	**104.5**	108.5
Kathryn Purves	**–**	134.5

The remuneration of Directors and key executives and Non-Executive Directors is determined by the Remuneration Committee having regard to the performance of individuals and market rates. The Remuneration Policy is described in more detail in the Remuneration Committee Report on page 95.

Notes to the financial statements continued

27. Subsidiaries

Accounting policy

Investment in subsidiaries

The Group consists of the Parent Company, Intermediate Capital Group plc, and its subsidiaries, described collectively herein as 'ICG' or the 'Group'. Investments in subsidiaries in the Parent Company statement of financial position are recorded at cost less provision for impairments or at fair value through profit or loss.

Key accounting judgement

A key judgement for the Group is whether the Group controls an investee or fund and is required to consolidate the investee or fund into the results of the Group. Control is determined by the Directors' assessment of decision making authority, rights held by other parties, remuneration and exposure to returns.

When assessing whether the Group controls any fund it manages (or any entity associated with a fund) it is necessary to determine whether the Group acts in the capacity of principal or agent for the third-party investor. An agent is a party primarily engaged to act on behalf and for the benefit of another party or parties, whereas a principal is primarily engaged to act for its own benefit.

A key judgement when determining that the Group acts in the capacity of principal or agent is the kick-out rights of the third-party fund investors. We have reviewed these kick-out rights, across each of the entities where the Group has an interest. Where fund investors have substantive rights to remove the Group as the investment manager it has been concluded that the Group is an agent to the fund and thus the fund does not require consolidation into the Group. We consider if the Group has significant influence over these entities and, where we conclude it does, we recognise them as associates. Where the conclusion is that the Group acts in the capacity of principal the fund has been consolidated into the Group's results.

Where the Group has Trust entities in investment deals or fund structures, a key judgement is whether the Trust is acting on behalf of the Group or another third party. Where the Trust is considered to act as an agent of the Group, the Trust and its related subsidiaries have been consolidated into the Group.

As a fund manager ICG participates in carried interest partnerships (CIPs), the participants of which are the Group, certain of the Group's employees and others connected to the underlying fund. These vehicles have two purposes: 1) to facilitate payments of carried interest from the fund to carried interest participants, and 2) to facilitate individual co-investment into the funds. The Directors have undertaken a control assessment of each CIP in accordance with IFRS10 and have considered whether the CIP participants were providing a service for the benefit of the Group. In undertaking this assessment the Directors took account of the following key considerations:

- the Group's exposure to the variable returns of the CIP is limited to the amounts allocated to the Group (see 'Other information'). Such allocations are typically 20% or less of total returns realised by the CIP with the balance attributable to other participants
- CIPs are used to facilitate substantial co-investment by individuals in the underlying funds. These individuals are exposed to the risk of personal financial loss
- fund investors can, in certain conditions, veto changes in the key persons managing the fund

The Directors have assessed that certain CIPs are controlled, and they are included within the list of controlled structured entities below. The Directors conclude that other CIPs are not controlled by the Group.

The Group consists of a Parent Company, Intermediate Capital Group plc, incorporated in the UK, and a number of subsidiaries held directly or indirectly by ICG plc, which operate and are incorporated around the world. The subsidiary undertakings of the Group are shown below. All are wholly owned, and the Group's holding is in the ordinary share class, except where stated. The Companies Act 2006 requires disclosure of certain information about the Group's related undertakings. Related undertakings are subsidiaries, joint ventures and associates.

The registered office of all related undertakings at 31 March 2024 was Procession House, 55 Ludgate Hill, New Bridge Street, London EC4M 7JW, unless otherwise stated.

The financial year end of all related undertakings is 31 March, unless otherwise stated.

All entities are consolidated as at 31 March.

Notes to the financial statements continued

27. Subsidiaries continued

Directly held subsidiaries

Name	Ref[1]	Country of incorporation	Principal activity	Share class	% Voting rights held
ICG Asset Management Limited		United Kingdom	Holding company	Ordinary shares	100%
ICG FMC Limited		England & Wales	Holding company	Ordinary shares	100%
Intermediate Capital Investments Limited		England & Wales	Investment company	Ordinary shares	100%
ICG Global Investment UK Limited		England & Wales	Holding company	Ordinary shares	100%
ICG Carbon Funding Limited		England & Wales	Investment company	Ordinary shares	100%
ICG Longbow Richmond Limited		England & Wales	Holding company	Ordinary shares	100%
ICG-Longbow BTR Limited		England & Wales	Holding company	Ordinary shares	100%
ICG Japan (Funding 2) Limited		England & Wales	Holding company	Ordinary shares	100%
ICG Longbow Development (Brighton) Limited		England & Wales	Holding company	Ordinary shares	100%
LREC Partners Investments No. 2 Limited		England & Wales	Investment company	Ordinary shares	55%
ICG Longbow Senior Debt I GP Limited		England & Wales	General partner	Ordinary shares	100%
ICG Debt Advisors (Cayman) Ltd	4	Cayman Islands	Advisory company	Ordinary shares	100%
ICG Re Holding (Germany) GmbH	9	Germany	Special purpose vehicle	Ordinary shares	100%
ICG Watch Jersey GP Limited	19	Jersey	General partner	Ordinary shares	100%
Intermediate Investments Jersey Limited	19	Jersey	Investment company	Ordinary shares	100%
Intermediate Capital Group Espana SL	33	Spain	Advisory company	Ordinary shares	100%

1. Registered addresses are disclosed in pages 186.

Notes to the financial statements continued

27. Subsidiaries continued

Indirectly held subsidiaries

Name	Ref[1]	Country of incorporation	Principal activity	Share class	% Voting rights held
ICG Alternative Investment Limited		England & Wales	Advisory company	Ordinary shares	100%
Intermediate Capital Managers Limited		England & Wales	Advisory company	Ordinary shares	100%
Intermediate Capital Asia Pacific Limited	12	Hong Kong	Advisory company	Ordinary shares	100%
ICG Europe S.à r.l.	23	Luxembourg	Advisory company	Ordinary shares	100%
ICG Enterprise Co-Investment GP Limited		England & Wales	General Partner	Ordinary shares	100%
ICG-Longbow B Investments L.P.		England & Wales	Investment company	N/A	50%
ICG-Longbow Development GP LLP		England & Wales	General Partner	N/A	–%
Longbow Real Estate Capital LLP		England & Wales	Advisory company	N/A	–%
ICG Senior Debt Partners UK GP Limited		England & Wales	General Partner	Ordinary shares	100%
Intermediate Capital Group SAS	8	France	Advisory company	Ordinary shares	100%
ICG Nordic AB	34	Sweden	Advisory company	Ordinary shares	100%
Intermediate Capital Group Dienstleistungsgesellschaft mbH	9	Germany	Service company	Ordinary shares	100%
Intermediate Capital Group Benelux B.V.	30	Netherlands	Advisory company	Ordinary shares	100%
Intermediate Capital Group Inc.	17	United States	Advisory company	Ordinary shares	100%
Intermediate Capital GP 2003 Limited	19	Jersey	General Partner	Ordinary shares	100%
Intermediate Capital GP 2003 No.1 Limited	19	Jersey	General Partner	Ordinary shares	100%
Intermediate Capital Asia Pacific Mezzanine 2005 GP Limited	19	Jersey	General Partner	Ordinary shares	100%
Intermediate Capital Asia Pacific Mezzanine Opportunity 2005 GP Limited	19	Jersey	General Partner	Ordinary shares	100%
Intermediate Capital Asia Pacific 2008 GP Limited	19	Jersey	General Partner	Ordinary shares	100%
ICG Europe Fund V GP Limited	18	Jersey	General Partner	Ordinary shares	100%
Intermediate Capital Group Beratungsgesellschaft GmbH	9	Germany	Advisory company	Ordinary shares	100%
Intermediate Capital Group (Singapore) Pte. Limited	32	Singapore	Advisory company	Ordinary shares	100%
ICG North America Associates LLC	17	Delaware	General Partner	Ordinary shares	100%
ICG Japan KK	14	Japan	Advisory company	Ordinary shares	100%
ICG Asia Pacific Fund III GP Limited	19	Jersey	General Partner	Ordinary shares	100%
ICG Alternative Credit (Luxembourg) GP S.A.	25	Luxembourg	General Partner	Ordinary shares	100%
ICG Alternative Credit (Cayman) GP Limited	5	Cayman Islands	General Partner	Ordinary shares	100%
ICG Senior Debt Partners	28	Luxembourg	General Partner	Ordinary shares	100%
ICG Strategic Secondaries Carbon Associates LLC	17	Delaware	General Partner	Ordinary shares	100%
ICG European Fund 2006 B GP Limited	19	Jersey	General Partner	Ordinary shares	100%
ICG Europe Fund VI GP Limited	18	Jersey	General Partner	Ordinary shares	100%
ICG Total Credit (Global) GP, S.à r.l.	24	Luxembourg	General Partner	Ordinary shares	100%

1. Registered addresses are disclosed in page 186.

Notes to the financial statements continued

27. Subsidiaries continued

Indirectly held subsidiaries continued

Name	Ref[1]	Country of incorporation	Principal activity	Share class	% Voting rights held
ICG EFV MLP Limited	18	Jersey	General Partner	Ordinary shares	100%
ICG-Longbow IV GP S.à r.l.	20	Luxembourg	General Partner	Ordinary shares	100%
ICG Europe Fund VI Lux GP S.à r.l.	20	Luxembourg	General Partner	Ordinary shares	100%
ICG Centre Street Partnership GP Limited	18	Jersey	General Partner	Ordinary shares	100%
Intermediate Capital Group Polska Sp. z.o.o	31	Poland	Service company	Ordinary shares	100%
ICG Recovery Fund 2008 B GP Limited	19	Jersey	General Partner	Ordinary shares	100%
ICG Europe Fund VII GP S.à r.l.	28	Luxembourg	General Partner	Ordinary shares	100%
ICG - Longbow Fund V GP S.à r.l.	22	Luxembourg	General Partner	Ordinary shares	100%
ICG Private Markets GP S.à r.l.	27	Luxembourg	General Partner	Ordinary shares	100%
ICG Europe Mid-Market Fund GP S.à r.l.	28	Luxembourg	General Partner	Ordinary shares	100%
Intermediate Capital Inc	17	Delaware	Dormant	Ordinary shares	100%
ICG MF 2003 No.1 EGP 1 Limited		England & Wales	General Partner	Ordinary shares	100%
ICG MF 2003 No.1 EGP 2 Limited		England & Wales	General Partner	Ordinary shares	100%
ICG MF 2003 No. 3 EGP 1 Limited		England & Wales	General Partner	Ordinary shares	100%
ICG MF 2003 No.3 EGP 2 Limited		England & Wales	General Partner	Ordinary shares	100%
ICG Private Credit GP S.à r.l.	28	Luxembourg	General Partner	Ordinary shares	100%
Intermediate Capital Group (Italy) S.r.l	13	Italy	Advisory company	Ordinary shares	100%
ICG-LONGBOW SENIOR GP LLP		England & Wales	General Partner	N/A	–%
ICG Alternative Credit Warehouse Fund I GP, LLC	17	Delaware	General Partner	Ordinary shares	100%
ICG Alternative Credit (Jersey) GP Limited	19	Jersey	General Partner	Ordinary shares	100%
ICG Enterprise Carry GP Limited	19	Jersey	General Partner	Ordinary shares	100%
ICG Senior Debt Partners Performance GP Limited	19	Jersey	General Partner	Ordinary shares	100%
ICG Structured Special Opportunities GP Limited	5	Cayman Islands	General Partner	Ordinary shares	100%
ICG Asia Pacific Fund IV GP S.à r.l.	27	Luxembourg	General Partner	Ordinary shares	100%
ICG European Credit Mandate GP S.à r.l.	28	Luxembourg	General Partner	Ordinary shares	100%
ICG Infrastructure Equity Fund I GP S.a.r.l	29	Luxembourg	General Partner	Ordinary shares	100%
ICG LP Secondaries Fund Associates I S.a. r.l.	29	Luxembourg	General Partner	Ordinary shares	100%
ICG US Senior Loan Fund GP Ltd	5	Cayman Islands	General Partner	Ordinary shares	100%
ICG Recovery Fund II GP S.à r.l.	29	Luxembourg	General Partner	Ordinary shares	100%
ICG Strategic Equity IV GP LP	16	Delaware	Limited Partner	N/A	–%
ICG North American Private Debt (Offshore) GP Limited Partnership	5	Cayman Islands	Limited Partner	N/A	–%
ICG Europe Fund VI GP Limited Partnership	18	Jersey	Limited Partner	N/A	–%

1. Registered addresses are disclosed in page 186.

Notes to the financial statements continued

27. Subsidiaries continued

Indirectly held subsidiaries continued

Name	Ref[1]	Country of incorporation	Principal activity	Share class	% Voting rights held
ICG Strategic Secondaries Carbon (Offshore) GP LP	5	Cayman Islands	Limited Partner	N/A	–%
ICG Strategic Secondaries II (Offshore) GP LP	5	Cayman Islands	Limited Partner	N/A	–%
ICG Strategic Secondaries II GP LP	16	Delaware	Limited Partner	N/A	–%
ICG North American Private Debt II GP LP	17	Delaware	Limited Partner	N/A	–%
ICG North American Private Debt II (Offshore) GP LP	5	Cayman Islands	Limited Partner	N/A	–%
ICG Japan Cayman Performance GP Limited	5	Cayman Islands	General Partner	Ordinary shares	100%
ICG Strategic Equity Side Car GP LP	5	Cayman Islands	Limited Partner	N/A	–%
ICG Strategic Equity III (Offshore) GP LP	5	Cayman Islands	Limited Partner	N/A	–%
ICG Australian Senior Debt GP Limited	5	Cayman Islands	General Partner	Ordinary shares	100%
ICG Strategic Equity Side Car (Onshore) GP LP	16	Delaware	Limited Partner	N/A	–%
ICG Europe Fund VIII GP S.à r.l.	29	Luxembourg	General Partner	Ordinary shares	100%
ICG North American Private Equity I GP LP	21	Delaware	Limited Partner	N/A	–%
ICG Real Estate Debt VI GP S.à r.l.	27	Luxembourg	General Partner	Ordinary shares	100%
ICG Excelsior GP S.à r.l.	29	Luxembourg	General Partner	Ordinary shares	100%
ICG Life Sciences GP S.à r.l.	27	Luxembourg	General Partner	Ordinary shares	100%
ICG Strategic Equity Associates IV S.à r.l	29	Luxembourg	General Partner	Ordinary shares	100%
ICG Strategic Equity IV GP LP SCSp	29	Luxembourg	Limited Partner	N/A	–%
ICG RE AUSTRALIA GROUP PTY LTD	3	Australia	Service company	Ordinary shares	100%
ICG (DIFC) Limited	26	United Arab Emirates	Service company	Ordinary shares	100%
ICG Metropolitan GP S.à r.l.	22	Luxembourg	General Partner	Ordinary shares	100%
ICG Senior Debt Partners GP S.à r.l.	27	Luxembourg	General Partner	Ordinary shares	100%
ICG Real Estate Senior Debt V GP S.à r.l.	27	Luxembourg	General Partner	Ordinary shares	100%
ICG SRE GP II S.à r.l.	22	Luxembourg	General Partner	Ordinary shares	100%
ICG Living GP S.a r.l.	22	Luxembourg	General Partner	Ordinary shares	100%
ICG Europe Mid-Market Fund II GP S.à r.l.	29	Luxembourg	General Partner	Ordinary shares	100%
ICG Infrastructure Fund II GP S.à r.l	29	Luxembourg	General Partner	Ordinary shares	100%
ICG Strategic Equity GP V S.à r.l.	29	Luxembourg	General Partner	Ordinary shares	100%
ICG Fund Advisors LLC	17	Delaware	Advisory company	Ordinary shares	100%
ICG Alternative Credit LLC	17	Delaware	Advisory company	Ordinary shares	100%
ICG Strategic Equity Advisors LLC	17	Delaware	Advisory company	Ordinary shares	100%
ICG Debt Administration LLC	17	Delaware	Service company	Ordinary shares	100%
ICG Strategic Equity Associates II LLC	16	Delaware	General Partner	Ordinary shares	100%

1. Registered addresses are disclosed in page 186.

Notes to the financial statements continued

27. Subsidiaries continued

Indirectly held subsidiaries continued

Name	Ref[1]	Country of incorporation	Principal activity	Share class	% Voting rights held
ICG Velocity Co-Investor Associates LLC	16	Delaware	General Partner	Ordinary shares	100%
ICG Debt Advisors LLC - Manager Series	17	Delaware	Advisory company	Ordinary shares	100%
ICG North America Associates II LLC	17	Delaware	General Partner	Ordinary shares	100%
ICG Strategic Equity Associates III LLC	16	Delaware	General Partner	Ordinary shares	100%
ICG Augusta Associates LLC	16	Delaware	General Partner	Ordinary shares	100%
ICG STRATEGIC EQUITY ASSOCIATES IV LLC	16	Delaware	General Partner	Ordinary shares	100%
ICG LP Secondaries Associates I LLC	16	Delaware	General Partner	Ordinary shares	100%
ICG North America Associates III LLC	17	United States	General Partner	Ordinary shares	100%
ICG Global Investment Jersey Limited	18	Jersey	Investment company	Ordinary shares	100%
ICG North America Holdings Limited	5	Cayman Islands	Investment company	Ordinary shares	100%
ICG Global Nominee Jersey Limited	18	Jersey	Special purpose vehicle	Ordinary shares	100%
ICG Global Nominee Jersey 2 Limited	18	Jersey	Special purpose vehicle	Ordinary shares	100%
ICG RE CORPORATE AUSTRALIA PTY LTD	3	Australia	Service company	Ordinary shares	100%
ICG RE CAPITAL PARTNERS AUSTRALIA PTY LTD	3	Australia	Advisory company	Ordinary shares	100%
ICG RE FUNDS MANAGEMENT AUSTRALIA PTY LTD	3	Australia	Service company	Ordinary shares	100%
Intermediate Capital Managers (Australia) PTY Limited	2	Australia	Advisory company	Ordinary shares	100%
Intermediate Capital Australia PTY Limited	1	Australia	Advisory company	Ordinary shares	100%
ICG Alternative Investment (Netherlands) B.V.	30	Netherlands	Advisory company	Ordinary shares	100%
ICG Asia Pacific Fund IV GP LP SCSp	27	Luxembourg	Limited Partner	N/A	–%
ICG Augusta GP LP	5	Cayman Islands	Limited Partner	N/A	–%
ICG NA Debt Co-Invest Limited	15	England & Wales	Investment company	Ordinary shares	100%
ICG Debt Advisors LLC – Holdings Series	17	Delaware	Investment company	Ordinary shares	100%
ICG EFV MLP GP LIMITED		England & Wales	General Partner	Ordinary shares	100%
ICG Europe Fund VII GP LP SCSp	28	Luxembourg	Limited Partner	N/A	–%
ICG Europe Fund VIII GP LP SCSp	29	Luxembourg	Limited Partner	N/A	–%
ICG Europe Mid-Market Fund GP LP SCSp	28	Luxembourg	Limited Partner	N/A	–%
ICG European Credit Mandate GP LP SCSp	28	Luxembourg	Limited Partner	N/A	–%
ICG EXCELSIOR GP LP SCSp	29	Luxembourg	Limited Partner	N/A	–%
ICG Executive Financing Limited	19	Jersey	Service company	Ordinary shares	100%
ICG Infrastructure Equity Fund I GP LP SCSp	29	Luxembourg	Limited Partner	N/A	–%
ICG Life Sciences GP LP SCSp	27	Luxembourg	Limited Partner	N/A	–%
Avanton Richmond Developments Limited	7	England & Wales	Special purpose vehicle	Ordinary shares	70%

1. Registered addresses are disclosed in page 186.

Notes to the financial statements continued

27. Subsidiaries continued

Indirectly held subsidiaries continued

Name	Ref[1]	Country of incorporation	Principal activity	Share class	% Voting rights held
ICG LP Secondaries I GP LP SCSp	29	Luxembourg	Limited Partner	N/A	–%
ICG Employee Benefit Trust 2015	11	Guernsey	N/A	Ordinary shares	100%
ICG Private Markets General Partner SCSp	27	Luxembourg	General Partner	N/A	–%
ICG Real Estate Debt VI GP LP SCSp	27	Luxembourg	Limited Partner	N/A	–%
ICG Recovery Fund II GP LP SCSp	29	Luxembourg	Limited Partner	N/A	–%
ICG Strategic Equity Side Car II GP LP	5	Cayman Islands	Limited Partner	N/A	–%
ICG Strategic Equity Side Car II (Onshore) GP LP	16	Delaware	Limited Partner	N/A	–%
ICG Velocity GP LP	16	Delaware	Limited Partner	N/A	–%
ICG Velocity Co-Investor GP LP	16	Delaware	Limited Partner	N/A	–%
ICG Velocity Co-Investor (Offshore) GP LP	5	Cayman Islands	Limited Partner	N/A	–%
Wise Living Homes Limited	6	England & Wales	Special purpose vehicle	Ordinary shares	83%
Wise Limited Amber Langley Mill Limited	6	United Kingdom	Special purpose vehicle	Ordinary shares	83%
ICG Longbow Development Debt Limited		England & Wales	Investment company	Ordinary shares	100%
ICG-Longbow Investment 3 LLP		England & Wales	Special purpose vehicle	N/A	–%
ICG Asia Pacific Fund III GP Limited Partnership	19	Jersey	Limited Partner	N/A	–%
ICG Europe Fund V GP Limited Partnership	18	Jersey	Limited Partner	N/A	–%
ICG Europe Copenhagen, filial af ICG Europe S.à r.l.	35	Denmark	Branch	N/A	100%
ICG Europe SARL - Frankfurt Branch	36	Germany	Branch	N/A	100%
ICG Europe SARL - Milan Branch	37	Italy	Branch	N/A	100%
ICG Europe SARL - Paris Branch	38	France	Branch	N/A	100%
ICG North America Associates III S.à r.l.	27	Luxembourg	General Partner	Ordinary shares	100%
ICG North American Private Debt GP LP	17	Delaware	Limited Partner	N/A	–%
ICG Real Estate Opportunities APAC GP S.à r.l.	22	Luxembourg	General Partner	Ordinary shares	100%
ICG Strategic Equity GP V LLC	16	Delaware	General Partner	Ordinary shares	100%
Intermediate Capital Managers Limited (France Branch)	38	France	Branch	N/A	100%
ICG Infrastructure APAC I GP S.à r.l.	22	Luxembourg	General Partner	Ordinary shares	100%
Rock Investments GP S.à r.l.	27	Luxembourg	General Partner	Ordinary shares	100%
ICG Real Estate Debt VII GP Sarl	22	Luxembourg	General Partner	Ordinary shares	100%
ICG Seed Asset Founder LP Limited	19	Jersey	Special purpose vehicle	Ordinary shares	100%
ICG North American Private Equity Debt Limited	19	Jersey	Special purpose vehicle	Ordinary shares	100%
ICG Real Estate E Debt Limited	19	Jersey	Special purpose vehicle	Ordinary shares	100%
ICG Life Sciences Debt Limited	19	Jersey	Special purpose vehicle	Ordinary shares	100%

1. Registered addresses are disclosed in page 186.

Notes to the financial statements continued

27. Subsidiaries continued

Indirectly held subsidiaries continued

Name	Ref[1]	Country of incorporation	Principal activity	Share class	% Voting rights held
ICG North American Private Equity Associates I LLC	21	Delaware	General Partner	Ordinary shares	100%
ICG North American Private Equity Fund I LP	21	Delaware	Special purpose vehicle	N/A	–%
ICG Life Sciences SCSp	27	Luxembourg	Limited Partner	N/A	–%
ICG Life Sciences Feeder SCSp	27	Luxembourg	Special purpose vehicle	N/A	–%
ICG Funding Lux S.à r.l.	22	Luxembourg	Special purpose vehicle	Ordinary shares	100%
Atlanta Investment PTE. Limited	10	Singapore	Special purpose vehicle	Ordinary shares	100%
ICG Infrastructure APAC Fund SCSp	22	Luxembourg	Special purpose vehicle	N/A	–%
ICG Infrastructure APAC Investment PTE. Limited	10	Singapore	Special purpose vehicle	Ordinary shares	100%
Montero PTE Ltd	10	Singapore	Special purpose vehicle	Ordinary shares	100%
ICG Real Estate Opportunities APAC Fund SCSP	22	Luxembourg	Special purpose vehicle	N/A	–%
Yangju Investment PTE. LTD.	10	Singapore	Special purpose vehicle	Ordinary shares	100%
Montero Japan Master Pte. Ltd	10	Singapore	Special purpose vehicle	Ordinary shares	100%
Montero Cruise JP 1 Pte. Ltd	10	Singapore	Special purpose vehicle	Ordinary shares	100%
Montero Cruise JP 2 Pte. Ltd	10	Singapore	Special purpose vehicle	Ordinary shares	100%
Capstone Living and Stay General Private Investment Company No. 1	0	South Korea	Portfolio Company	Ordinary shares	100%
Capstone Living and Stay General Private Investment Company No. 2	0	South Korea	Portfolio Company	Ordinary shares	100%
Rifa Private Real Estate Trust No. 24	0	South Korea	Portfolio Company	Ordinary shares	100%

1. Registered addresses are disclosed in page 186.

Notes to the financial statements continued

27. Subsidiaries continued

	Registered offices
1	Level 18, 88 Phillip Street, Sydney, NSW 2000, Australia
2	Level 31, 88 Phillip Street, Sydney, NSW 2000, Australia
3	Level 9, 88 Phillip Street, Sydney, NSW 2000, Australia
4	75 Fort Street, Clifton House, c/o Estera Trust (Cayman) Limited, PO Box 1350, Grand Cayman, KY1-1108, Cayman Islands
5	PO Box 309, Ugland House, C/o Maples Corporate Services Limited, Grand Cayman, KY1-1104, Cayman Islands
6	17 Regan Way, Chetwynd Business Park, Chilwell, Nottingham, NG9 6RZ, England & Wales
7	Brock House, 19 Langham Street, London, England, W1W 6BP
8	1 rue de la Paix, Paris, 75002, France
9	12th Floor, An der Welle 5, Frankfurt, 60322, Germany
10	9 Temasek Boulevard, #12-01/02. Suntec Tower Two, 038989, Singapore
11	c/o Zedra Trust Company (Guernsey) Limited, 3rd Floor, Cambridge House, Le Truchot, St Peter Port, GY1 1WD, Guernsey
12	Suites 1301-02, 13/F, AIA Central, 1 Connaught Road Central, Hong Kong
13	Corso Giacomo Matteotti 3, Milan, 20121, Italy
14	Level 23, Otemachi Nomura Building, 2-1-1 Otemachi, Chiyoda-ku, Tokyo, 100-0004, Japan
15	25 Farringdon Street, London, EC4A 4AB
16	c/o Maples Fiduciary Services (Delaware) Inc., Suite 302, 4001 Kennett Pike, Wilmington, DE, 19807, United States
17	c/o The Corporation Trust Company, 1209 Orange Street, Wilmington, DE, 19801, United States
18	IFC 1, The Esplanade, St. Helier, JE1 4BP, Jersey
19	Ogier House,44 The Esplanade, St. Helier, JE4 9WG, Jersey
20	12E, rue Guillaume Kroll, L - 1882 Luxembourg
21	c/o Intertrust Corporate Services Delaware LTD, Suite 210, 200 Bellevue Parkway, Wilmington, DE, 19809, United States
22	3, rue Gabriel Lippmann, L - 5365 Munsbach, Luxembourg
23	32-36, boulevard d'Avranches L - 1160 Luxembourg, 1160, Luxembourg
24	49 Avenue John F. Kennedy, Luxembourg, L-1855, Luxembourg
25	5 Allée Scheffer, Luxembourg, L-2520, Luxembourg
26	Index Tower, Floor 4, Unit 404, Dubai International Financial Centre, Dubai, United Arab Emirates
27	6, rue Eugene Ruppert, Luxembourg, L-2453, Luxembourg
28	60, Avenue J.F. Kennedy, Luxembourg, L-1855, Luxembourg
29	6H Route de Trèves, Senningerberg, L-2633, Luxembourg
30	Paulus Potterstraat 20, 2hg., Amsterdam, 1071 DA, Netherlands
31	Spark B, Aleja Solidarności 171, Warsaw, 00-877, Poland
32	8 Marina View, #32-06. Asia Square Tower 1, 018960, Singapore
33	Serrano 30-3º, 28001 Madrid, Spain
34	David Bagares Gata 3, 111 38 Stockholm
35	Female Founders House Bredgade 45B, 3., kontor, Copenhagen, 607 1260, Denmark
36	12th Floor, Stockwerk, An der Welle 5, Frankfurt, 60322, Germany
37	Corso Giacomo Matteotti 3, Milan, 20121, Italy
38	1 rue de la Paix, Paris, 75002, France

Notes to the financial statements continued

27. Subsidiaries continued

The table below shows details of structured entities that the Group is deemed to control:

Name of subsidiary	Country of incorporation	% of ownership interests and voting rights
ICG US CLO 2014-1, Ltd.	Cayman Islands	50%
ICG US CLO 2014-2, Ltd.	Cayman Islands	72%
ICG US CLO 2014-3, Ltd.	Cayman Islands	51%
ICG US CLO 2015-1, Ltd.	Cayman Islands	50%
ICG US CLO 2015-2R, Ltd.	Cayman Islands	83%
ICG US CLO 2016-1, Ltd.	Cayman Islands	63%
ICG US CLO 2017-1, Ltd.	Cayman Islands	60%
ICG US CLO 2020-1, Ltd.	Cayman Islands	52%
ICG EURO CLO 2021-1 DAC	Ireland	67%
ICG EURO CLO 2023-2 DAC	Ireland	100%
St. Paul's CLO II DAC	Ireland	85%
St. Paul's CLO III-R DAC	Ireland	62%
St. Paul's CLO VI DAC	Ireland	53%
St. Paul's CLO VIII DAC	Ireland	53%
St. Paul's CLO XI DAC	Ireland	57%
ICG Euro CLO 2023-1 DAC	Ireland	100%
ICG Enterprise Carry (1) LP	Jersey	100%
ICG Enterprise Carry (2) LP	Jersey	50%
ICG US Senior Loan Fund	Cayman Islands	100%
ICG Total Credit (Global) SCA	Luxembourg	100%
ICG Newground RE Finance Trust 1	Australia	100%

The structured entities controlled by the Group include £5,089.7m (2023: £5,160.8m) of assets and £5,087.7m (2023: £5,109.2m) of liabilities within 21 funds listed above. These assets are restricted in their use to being the sole means by which the related fund liabilities can be settled. All other assets can be accessed or used to settle the other liabilities of the Group without significant restrictions.
The Group has not provided contractual or non-contractual financial or other support to a consolidated structured entity during the period. It is not the current intention to provide such support, including the intention to assist the structured entity in obtaining financial support.

Notes to the financial statements continued

27. Subsidiaries continued

Subsidiary audit exemption

For the period ended 31 March 2024, the following companies were entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies. The member(s)[1] of the following companies have not required them to obtain an audit of their financial statements for the period ended 31 March 2024.

Company	Registered number	Member(s)
ICG FMC Limited	7266173	Intermediate Capital Group plc
ICG Global Investment UK Limited	7647419	Intermediate Capital Group plc
ICG Japan (Funding 2) Limited	9125779	Intermediate Capital Group plc
ICG Longbow Development (Brighton) Limited	8802752	Intermediate Capital Group plc
ICG Longbow Richmond Limited	11210259	Intermediate Capital Group plc
ICG Longbow BTR Limited	11177993	Intermediate Capital Group plc
ICG Longbow Senior Debt I GP Limited	2276839	Intermediate Capital Group plc
Intermediate Capital Investments Limited	2327070	Intermediate Capital Group plc
LREC Partners Investments No. 2 Limited	7428335	Intermediate Capital Group plc
ICG Longbow Development Debt Limited	9907841	ICG-Longbow Development GP LLP
ICG IC Holdco Limited	14542130	Intermediate Capital Group plc
ICG-Longbow Development GP LLP	OC396833	Intermediate Capital Group plc, ICG FMC Limited
ICG-Longbow Investment 3 LLP	OC395389	ICG FMC Limited, Intermediate Capital Managers Limited
ICG-Longbow Senior GP LLP	OC427634	Intermediate Capital Group plc, ICG FMC Limited

1. Shareholders or Partners, as appropriate.

Notes to the financial statements continued

28. Disposal groups held for sale and discontinued operations

Accounting policy

Non-current financial assets held for sale and disposal groups

The Group may make an investment and hold the asset on its balance sheet prior to it being transferred into a fund or sold to third-party investors. When assets are expected to be held for a period for up to a year, these assets may be classified as held for sale. Where the investment is held through a controlled investee the investee entity is classified as a disposal group held for sale.

The conditions for disposal groups held for sale are regarded as met only when the asset is available for immediate sale, the Directors are committed to the sale, and the sale is expected to be completed within one year from the date of classification.

Assets within disposal groups held for sale are recognised at the lower of fair value less cost to sell and their carrying amount as required by IFRS 5 Non-Current Assets Held for Sale and Discontinued Operations, except where the asset is a financial instrument or investment property. The measurement of these assets is determined by IFRS 9 Financial Instruments and IAS 40 Investment Property respectively. The Group's measurement of these assets is detailed in note 5.

Subsidiaries within disposal groups held for sale which were acquired with a view to resale are assessed as discontinued operations.

Financial year ended 31 March 2024

As at 31 March 2024, management have assessed that it is no longer highly probable that the remaining assets classified as disposal groups held for sale at the prior reporting date will be disposed of in the next 12 months and therefore have ceased to classify these assets as held for sale.

As at 31 March 2024 these assets are now classified either as financial assets at fair value through profit and loss in accordance with IFRS 9 (see note 5) or investment properties at fair value through profit and loss in accordance with IAS 40 (see note 18). Assets were reclassified at fair value.

During the year the majority of discontinued operations were derecognised following the sale of controlling interests in the subsidiaries to third-party investors (see note 31 for details of full realisations). A loss on disposal of £9.3m was recognised in respect of a full disposal of a discontinued operation and a loss of £3.9m was recognised in respect of a partial disposal of a discontinued operation, both to third parties. The retained interests do not meet the definition of held for sale and are classified as continuing operations. Prior year profit after tax of those discontinued operations not disposed during the year is immaterial and have not been re-presented to continuing operations.

Notes to the financial statements continued

29. Associates and joint ventures

Accounting policy

Investment in associates

An associate is an entity over which the Group has significant influence, but no control, over the financial and operating policy decisions of the entity. As the investments in associates are held for venture capital purposes they are designated at fair value through profit or loss.

Investment in joint ventures

A joint venture is a joint arrangement whereby the parties that have joint control over the arrangement have rights to the net assets of the arrangements. The results and assets and liabilities of joint ventures are incorporated in these financial statements using the equity method of accounting from the date on which the investee becomes a joint venture, except when the investment is held for venture capital purposes in which case they are designated as fair value through profit and loss. Under the equity method, an investment in a joint venture is initially recognised in the consolidated statement of financial position at cost, and adjusted thereafter to recognise the Group's share of the joint venture's profit or loss.

The nature of some of the activities of the Group associates and joint ventures are investment related which are seen as complementing the Group's operations and contributing to achieving the Group's overall strategy. The remaining associates and joint ventures are portfolio companies not involved in investment activities.

Details of associates and joint ventures

Details of each of the Group's associates at the end of the reporting period are as follows:

Name of associate	Principal activity	Country of incorporation	Proportion of ownership interest/voting rights held by the Group 2024	Income distributions received from associate 2024	Proportion of ownership interest/voting rights held by the Group 2023	Income distributions received from associate 2023
ICG Europe Fund V Jersey Limited[1]	Investment company	Jersey	20%	4.5	20%	11.0
ICG Europe Fund VI Jersey Limited[1]	Investment company	Jersey	17%	(3)	17%	24.7
ICG North American Private Debt Fund[2]	Investment company	United States of America	20%	1.1	20%	5.5
ICG Asia Pacific Fund III Singapore Pte. Limited[3]	Investment company	Singapore	20%	4.1	20%	(1.2)
Ambient Enterprises LLC[2]	Investment company	United States of America	43%	–	50%	–
KIK Equity Co-invest LLC[2]	Investment company	United States of America	25%	–	25%	–
Seaway Topco, LP[2]	Investment company	United States of America	49%	–	–%	–

1. The registered address for this entity is IFC 1 – The Esplanade, St Helier, Jersey JE1 4BP.
2. The registered address for this entity is c/o The Corporation Trust Company, 1209 Orange Street, Wilmington, DE, 19801, United States
3. The registered address for this entity is 9 Raffles Place. #26-01. Republic Plaza, 048619, Singapore

During the year the Group's investments in Seaway Topco, LP was assessed as an associate. All associates are accounted for at fair value.

The Group has a shareholding in each of ICG Europe Fund V Jersey Limited, ICG Europe Fund VI Jersey Limited, ICG North American Private Debt Fund, ICG Asia Pacific Fund III Singapore Pte. Limited and KIK Equity Co-invest LLC arising from its co-investment with a fund. The Group appoints the General Partner (GP) to each of these funds. The investors have substantive rights to remove the GP without cause. The Funds also each have an Advisory Council, nominated by the investors, whose function is to ensure that the GP is acting in the interest of investors. As the Group has a 17%–25% holding, and therefore significant influence in each entity, they have been considered as associates

The proportion of ownership interest in this Ambient Enterprises LLC has reduced in the year as a result of dilution.

Notes to the financial statements continued

29. Associates and joint ventures continued

Details of each of the Group's joint ventures at the end of the reporting period are as follows:

Name of joint venture	Accounting method	Principal activity	Country of incorporation	Proportion of ownership interest held by the Group 2024	Proportion of voting rights held by the Group 2024
Nomura ICG KK	Equity	Advisory company	Japan	–%	–%
Brighton Marina Group Limited	Fair value	Investment company	United Kingdom	70%	70%

Brighton Marina Group Limited is accounted for at fair value in accordance with IAS28 and IFRS9 and the Group's accounting policy in note 5 to the financial statements.

The Group holds 70% of the ordinary shares of Brighton Marina Group Limited and the management of this entity is jointly controlled with a third party who the Group does not control and therefore the Group is unable to execute decisions without the consent of the third party.

Summarised financial information for equity accounted joint ventures

During the year the Group disposed of its interest in Nomura ICG KK. Nomura ICG KK made no profit from continuing operations and total comprehensive income for the year ended 31 March 2024 (2023: £8.8m), of which the Group's share of results accounted for using the equity method is (£0.4m) for the year ended 31 March 2024 (2023: £4.4m).

Significant restriction

There are no significant restrictions on the ability of associates and joint ventures to transfer funds to the Group other than having sufficient distributable reserves.

Summarised financial information for associates material to the reporting entity

The Group's only material associate is ICG Europe Fund VI Jersey Limited which is an associate measured at fair value through profit and loss. The information below is derived from the IFRS financial statements of the entities. Materiality has been determined by the carrying value of the associate as a percentage of total Group assets.

The entity allows the Group to co-invest with ICG Europe Fund VI, aligning interests with other investors. In addition to the returns on its co-investment the Group receives performance-related fee income from the funds (see note 3). This is industry standard and is in line with other funds in the industry.

	ICG Fund VI Jersey Limited 2024 £m	ICG Fund VI Jersey Limited 2023 £m
Current assets	**0.6**	8.1
Non-current assets	**975.4**	1,023.9
Current liabilities	**–**	(55.8)
	976.0	976.2
Revenue	**185.0**	47.3
Expenses	**(0.2)**	(24.1)
Total comprehensive income	**184.8**	23.2

Notes to the financial statements continued

30. Unconsolidated structured entities

A structured entity is an entity that has been designed so that voting or similar rights are not the dominant factor in deciding who controls the entity, such as when any voting rights relate to administrative tasks only and the relevant activities are directed by means of contractual arrangements. The Group has determined that it has an interest in a structured entity where the Group holds an investment, loan, fee receivable or commitment with an investment fund or CLO. Where the Group does not hold an investment in the structured entity, management has determined that the characteristics of control, in accordance with IFRS 10, are not met.

The Group, as fund manager, acts in accordance with the pre-defined parameters set out in various agreements. The decision-making authority of the Group and the rights of third parties are documented. These agreements include management fees that are commensurate with the services provided and performance fee arrangements that are industry standard. As such, the Group is acting as agent on behalf of these investors and therefore these entities are not consolidated into the Group's results. Consolidated structured entities are detailed in note 27.

At 31 March 2024, the Group's interest in and exposure to unconsolidated structured entities including outstanding management and performance fees are detailed in the table below, and recognised within financial assets at FVTPL and trade and other receivables in the statement of financial position:

	2024					
Funds	Investment in Fund £m	Management fees receivable £m	Management fee rates %	Performance fees receivable £m	Performance fee rates %	Maximum exposure to loss £m
CLOs	295.9	4.2	0.19% to 0.50%	–	0.05% to 0.20%	300.1
Credit Funds	22.1	9.3	0.29% to 1.50%	13.0	20% of returns in excess of 0% for Alternative Credit Fund only	44.4
Corporate Investment Funds	1,402.7	61.6	0.43% to 1.50%	66.4	20%–25% of total performance fee of 10%–20% of profit over the threshold	1,530.7
Real Asset Funds	401.6	17.7	0.30% to 1.24%	–	20% of total performance fee of 15%–20% of profit over the threshold	419.3
Secondaries Funds	455.8	38.5	0.75% to 1.37%	4.3	20% of total performance fee of 12.5%–20% of profit over the threshold	498.6
Total	**2,578.1**	**131.3**		**83.7**		**2,793.1**

						2023
Funds	Investment in Fund £m	Management fees receivable £m	Management fee rates %	Performance fees receivable £m	Performance fee rates %	Maximum exposure to loss £m
CLOs	298.3	4.1	0.19% to 0.50%	–	0.05% to 0.20%	302.4
Credit Funds	65.9	8.6	0.29% to 1.50%	(0.3)	20% of returns in excess of 0% for Alternative Credit Fund only	74.2
Corporate Investment Funds	1,341.5	55.9	0.43% to 1.50%	37.6	20%–25% of total performance fee of 20% of profit over the threshold	1,435.0
Real Asset Funds	288.5	12.0	0.30% to 1.24%	–	20% of returns in excess of 9% IRR	300.5
Secondaries Funds	441.1	20.2	0.75% to 1.37%	0.2	10%–20% of total performance fee of 8%–20% of profit over the threshold	461.5
Total	**2,435.3**	**100.8**		**37.5**		**2,573.6**

The Group's maximum exposure to loss is equal to the value of any investments held and unpaid management fees and performance fees.

The Group has not provided non-contractual financial or other support to the unconsolidated structured entities during the year. It is not the current intention to provide such support, including the intention to assist the structured entity in obtaining financial support.

Notes to the financial statements continued

31. Net cash flows from operating activities

Accounting policy

Cash flows arising from the acquisition and disposal of assets to seed new investment strategies are classified as operating, as this activity is undertaken to establish new sources of fund management fee income, growing the operating activities of the Group.

	Notes	Year ended 31 March 2024 Group £m	Year ended 31 March 2023 Group £m
Profit before tax from continuing operations		**530.8**	**251.0**
Adjustments for non-cash items:			
Fee and other operating income	3	(554.8)	(483.6)
Net investment returns	9	(405.3)	(172.5)
Interest income	8	(21.6)	(15.5)
Net fair value (gain)/loss on derivatives		(22.8)	34.9
Impact of movement in foreign exchange rates		33.3	(17.8)
Interest expense	10	49.5	64.6
Depreciation, amortisation and impairment of property, plant, equipment and intangible assets	16, 17	18.0	18.2
Share-based payment expense		43.9	39.5
Change in disposal groups held for sale		–	(8.8)
Working capital changes:			
Increase in trade and other receivables		(88.7)	(12.0)
Decrease in trade and other payables		(17.7)	(196.9)
		(435.4)	**(498.9)**
Proceeds from sale of current financial assets and disposal groups held for sale		319.2	45.5
Purchase of current financial assets and disposal groups held for sale		(312.1)	(211.9)
Purchase of investments		(1,729.7)	(1,374.6)
Proceeds from sales and maturities of investments		2,233.1	1,721.8
Issuance of CLO notes[1]		–	0.4
Redemption of CLO notes[1]		(389.1)	(45.6)
Interest received[2]		447.2	322.6
Dividends received[2]		47.0	40.2
Fee and other operating income received		496.4	587.9
Interest paid		(379.5)	(263.4)
Cash flows generated from operations		**297.1**	**324.0**
Taxes paid		(41.2)	(32.4)
Net cash flows from operating activities		**255.9**	**291.6**

1. The prior period has been re-presented to separately disclose the gross amounts of issuance and redemption of CLO notes, previously included within the "Purchase of Investment" and "Proceeds from sales and maturities of investments" lines respectively.
2. The prior period has been re-presented to separately disclose Interest received and Dividends received, previously disclosed as "Interest and dividend income received".

Notes to the financial statements continued

31. Net cash flows from operating activities continued

Included within Proceeds from sale of current financial assets and disposal groups held for sale is i) cash consideration received of £240.0m in respect of the disposals of the Group's real estate seed investments in Metropolitan SCSp and Metropolitan 2 SCSp resulting in a loss of control by the Group in those entities. Immediately prior to the disposal the net asset value of these interests was £247.1m, predominantly comprised of investment property; ii) cash consideration received of £44.8m in respect of the disposal of the Group's interest in an LP Secondaries transaction, resulting in a loss of control by the Group in that entity. Immediately prior to the disposal the net asset value of this interest was £26.6m, comprised of interests in private equity funds; and iii) cash consideration of £1.7m and non-cash consideration of £15.2m in respect of the partial disposal of the Group's seed investment in Seaway Topco LP resulting in a loss of control by the Group. Immediately prior to the disposal the net asset value of this interest was £40.1m, predominantly comprised of goodwill (see note 28).

Purchase of current financial assets and disposal groups held for sale includes £123.1m (FY23: £56.4m) of financial assets and £169.5m (FY23: £100.6m) of investment property held by controlled subsidiaries.

	Notes	Year ended 31 March 2024 Company £m	Year ended 31 March 2023 Company £m
Profit before tax from continuing operations		**298.2**	**51.5**
Adjustments for non-cash items:			
Fee and other operating income		(16.3)	(3.9)
Dividend income		(240.0)	(386.6)
Interest income		(75.1)	(53.7)
Net investment returns		(8.9)	(0.7)
Net fair value (gain)/loss on derivatives		(23.5)	7.5
Impact of movement in foreign exchange rates		(99.7)	141.1
Interest expense		124.4	124.9
Depreciation, amortisation and impairment of property, equipment and intangible assets	16, 17	10.9	12.0
Write-down of intercompany loan balance		12.2	12.7
Share-based payment expense		43.9	39.5
Intragroup reallocation of incurred costs		(80.6)	(152.0)
Working capital changes:			
Decrease in trade and other receivables		7.3	4.5
Decrease in trade and other payables		(118.0)	(15.8)
		(165.2)	**(219.0)**
Proceeds from sale of current financial assets		–	34.2
Purchase of current financial assets		–	(134.6)
Purchase of investments		(28.0)	(73.1)
Proceeds from sales and maturities of investments		70.1	127.5
Interest received		21.4	6.0
Fee and other operating income received		11.7	5.0
Interest paid		(46.8)	(60.3)
Cash flows used in operations		**(136.8)**	**(314.3)**
Taxes paid		(24.2)	(20.8)
Net cash flows used in operating activities		**(161.0)**	**(335.1)**

Notes to the financial statements continued

32. Contingent liabilities

The Parent Company and its subsidiaries may be party to legal claims arising in the course of business. The Directors do not anticipate that the outcome of any such potential proceedings and claims will have a material adverse effect on the Group's financial position and at present there are no such claims where their financial impact can be reasonably estimated. The Parent Company and its subsidiaries may be able to recover any monies paid out in settlement of claims from third parties.

There are no other material contingent liabilities.

33. Post balance sheet events

There have been no material events since the balance sheet date.