

## **All IPO plc**

ALL IPO Plc FCA: 428754

### **Pillar 3 Disclosures – as at 30 June 2018**

The Capital Requirements Directive (“CRD”) of the European Union created a revised regulatory capital framework based on the provisions of the Basel II Accord. This was implemented in the UK through changes to the Financial Conduct Authority (“FCA”) Handbook of Rules and Guidance and specifically through the General Prudential Sourcebook for Investment Firms (“IFPRU”).

The framework consists of 3 “pillars”:

- Pillar 1: sets out the minimum capital requirements that we are required to meet for credit, market and operational risk;
- Pillar 2: requires us, and the Supervisors, to take a view on whether additional capital should be held against capital risks not covered by Pillar 1 and;
- Pillar 3: requires us to publish certain detail of our risks, capital and risk management process.

### **Company Summary**

**ALL IPO Plc** is a regulated financial services company operating the following two business lines.

**Throgmorton Street Capital** is a trading name of All IPO Plc covering corporate broking/advice and finance activity.

**TSCTrade** is a trading name of All IPO Plc covering execution only retail stockbroking.

### **Capital Adequacy and Liquidity Planning**

All IPO’s capital resources requirement will normally be the greater of its Base Capital Requirement (set out below) and its Variable Capital Requirement.

The Base Capital Requirement for IFPRU limited license firm is €125,000.

As a firm which deals as agent, All IPO will never have a position or counterparty exposure (market or credit risk). Therefore the Variable Capital Requirement is equal to the Fixed Overhead Requirement.

However, it is important to understand the impact of market and credit exposures on the firm in the event that our business model changes in the future.

## Capital Resources

### All IPOs Consolidated Capital Resources as at 30<sup>th</sup> June 2018

Tier One	£
Permanent Share Capital	1,163,795
Share Premium	3,144,853
<b>Audited</b> profit & loss	14,483
Total Tier One Capital	540,326

All IPO Plc does not have any tier two or three capital resources.

**The Fixed Overhead Requirement** is equal to 13/52 of Relevant Fixed Expenditure (from All IPO's most recent audited annual financial statements submitted to the FCA) less the following items (if they are included within such expenditure):

- Staff bonuses, except to the extent they are guaranteed;
- Employees' and directors' shares in profits, except to the extent they are guaranteed;
- Other appropriations of profits;
- Shared commission and fees payable which are directly related to commission and fees receivable, which are included within total revenue;
- Interest charges in respect of borrowings made to finance the acquisition of the firm's readily realisable investments;
- Interest paid to customers on client money;
- Interest paid to counterparties;
- Fees, brokerage and other charges paid to clearing houses, exchanges and intermediate brokers for the purposes of executing, registering or clearing transactions;
- Foreign exchange losses; and
- Other variable expenditure

This has and continues to be consistently less than the Base Capital Requirement for All IPO and therefore we require capital of a minimum of €125,000 at all times.

Risk Type	Risk Consideration
<b>Credit Risk</b>	No exposure to credit risk. All IPO Plc is an execution only broker.
<b>Market Risk</b>	No exposure to market risk. All IPO Plc acts as agent only.
<b>Operational Risk</b>	Manages risk through applicable controls and loss mitigation techniques, including use of insurance.
<b>Liquidity Risk</b>	Liquidity risk is the risk that in the short term, All IPO Plc has insufficient liquid assets to meet its payment obligations. All IPO liquidity policy is to maintain assets in such proportion and type as will at all time enable it to meet its liabilities as they arise e.g. operating income.
<b>Concentration Risk</b>	All IPO has a diversified business structure and has no material counterparty trading levels. All deposits are with the reputable UK banks.
<b>Residual Risk</b>	Residual risk is the risk that losses may arise from the partial performance or failure of credit risk mitigation techniques. All IPO has very limited counterparty exposure.
<b>Securitisation Risk</b>	All IPO Plc does not exposure to securitised debt.
<b>Interest Risk</b>	All IPO Plc does not have exposure to interest rate fluctuations.
<b>Pension Obligation Risk</b>	All IPO Plc does not have exposure to Pension Obligation Risk.

### **Pillar 3 Remuneration Disclosures**

The remuneration policy statement has been produced for the financial year from 1<sup>st</sup> July 2017 to 30<sup>th</sup> June 2018 under the Financial Conduct Authority (“FCA”) Remuneration Code (“the Code”). Under the FCA code All IPO Plc is classified as a proportionality level 3 firm.

The Code requires All IPO Plc to consider its process and procedures for those senior staff that control the firm and/or could affect its risk profile. For the financial year ended 30<sup>th</sup> June 2018 the Company identified only those Approved Persons performing Significant Influence Functions (“SIF”) are classified as “Code Staff”.

All IPO Plc does not have a formal Remuneration Committee; the remuneration is considered by a remuneration group made up of members of the Board of Directors and considers remuneration policy for all staff including Code Staff. Due to the size and nature of the business there are no material conflicts of interest.

All IPO Plc policy is to provide remuneration packages to motivate and retain staff who will make significant contribution to the performance of the Company. Remuneration is fixed salary and variable an incentive compensation scheme reflecting individual performance.

Aggregate quantitative information on remuneration for the Code Staff.

For the year ended 30<sup>th</sup> June 2018 there were 3 Code Staff (as defined above)

Aggregate remuneration expenditure in respect of the Code Staff was:

Fixed remuneration: £105,000

Variable remuneration: £ 0.00

Fixed remuneration consists of base salaries only while variable remuneration consists of incentive schemes on fund raising, brokerage retainers and research notes.