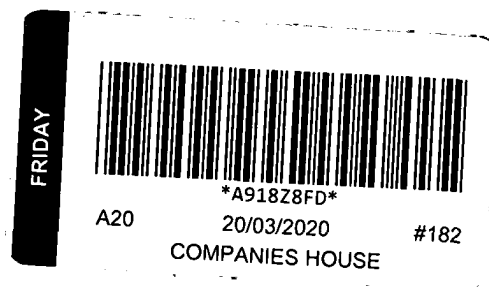


Company Registration No. 07511928 (England and Wales)

MAVEN INVESTMENT PARTNERS LTD
ANNUAL REPORT AND AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019



MAVEN INVESTMENT PARTNERS LTD

COMPANY INFORMATION

Directors	Mr B Huda Mr I Toon Mr I Koedjikov
Company number	07511928
Registered office	6 Bevis Marks London England EC3A 7BA
Branch office	20/F Tai Tung Building 8 Fleming Road Wan Chai Hong Kong
Auditor	RSM Audit UK LLP 25 Farringdon Street London England EC4A 4AB
Bankers	Barclays Bank PLC 1 Churchill Place London E14 5HP

MAVEN INVESTMENT PARTNERS LTD

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MAVEN INVESTMENT PARTNERS LTD

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2019

The Directors present their annual report with the strategic report and audited financial statements for the year ended 30 June 2019.

Directors

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

Mr B Huda
Mr I Toon
Mr I Koedjikov

Dividends

The Company did not pay, declare or propose a dividend during the year (2018: £Nil).

Qualifying third party indemnity provisions

The Company has made qualifying third party indemnity provisions for the benefit of its Directors which were made during the year and remain in force at the reporting date.

Future developments

The Company continues to trade various strategies on its own account. The Directors believe there are no future developments that require specific disclosure.

Auditor

In accordance with the Company's articles, a resolution proposing that RSM Audit UK LLP be reappointed as auditor of the Company will be put at a General Meeting.

Statement of directors' responsibilities

The Directors are responsible for preparing the Strategic Report, the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union. Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing the financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether they have been prepared in accordance with IFRS as adopted by the EU;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

MAVEN INVESTMENT PARTNERS LTD

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2019

Strategic report

The Company has chosen in accordance with Companies Act 2006, s. 414C(11) to set out in the Company's strategic report information required by Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, Sch. 7 to be contained in the directors' report. It has done so in respect of discussion of future developments.

The Strategic Report, starting on page 3, contains details of the principal activity of the Company and provides information on the development of the Company's business during the year, details of exposure to risks, uncertainties and indications of likely future developments.

Statement of disclosure to auditor

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

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Going concern

The Company's forecasts and projections, taking into account possible changes in performance and the impact or the risks and uncertainties outlined above, indicate that it is appropriate to adopt the going concern basis in preparing these financial statements. The Company holds no external finance for which it is liable and is well capitalised.

On behalf of the board


.....
Mr I Koedjikov
Director

Date: 15.01.2020

MAVEN INVESTMENT PARTNERS LTD

STRATEGIC REPORT

FOR THE YEAR ENDED 30 JUNE 2019

The Directors present the strategic report and financial statements for the year ended 30 June 2019.

Principal activity

Maven Investment Partners Limited was incorporated in 2011 and is a trading firm specialising in quantitative, fundamental and event driven strategies on its own account. The firm's capital is being managed by a team of dedicated traders. Maven combines a research-based process with an active trading strategy.

Review of business, future developments and key performance indicators ('KPIs')

The Company made a loss after tax of £22,676,513 (2018: £34,165,258 profit) for the year.

The Directors' objectives for the coming year will be to expand the business through trading new markets and products, develop the Company technological infrastructure and improve the efficiency of the business increasing scalability and reliability.

Principal risks and uncertainties and risk governance

The principal risks faced by the Company, including credit risk, liquidity risk and market risk, are disclosed in note 20 to the accounts. Effective risk management policies are established across the group which serve to analyse and mitigate the risks faced by the Company.


Branches outside the UK

Maven Investment Partners Limited has a branch located in Hong Kong, with its registered address at 20/F, Tai Tung Building, 8 Fleming Road, Hong Kong.

Brexit

The Directors continue to monitor the developments surrounding Britain's exit from the European Union and the effect that this is expected to have upon the Company. However, due to the nature of the business, the Directors believe that any negative impact to the Company or its operations will be minimal.

On behalf of the board



Mr I Koedjikov

Director

15.01.2020

MAVEN INVESTMENT PARTNERS LTD

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF MAVEN INVESTMENT PARTNERS LTD

Opinion

We have audited the financial statements of Maven Investment Partners Ltd (the 'Company') for the year ended 30 June 2019 which comprise the statement of comprehensive income, the statement of financial position, the statement of changes in equity, the statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 30 June 2019 and of its loss for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The Directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

MAVEN INVESTMENT PARTNERS LTD

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF MAVEN INVESTMENT PARTNERS LTD

Matters on which we are required to report by exception

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

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

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

Responsibilities of directors

As explained more fully in the Directors' responsibilities statement set out on page 1, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

David Fenton 15/1/2020

David Fenton (senior Statutory Auditor)
for and on Behalf of RSM Audit UK LLP, Statutory Auditor
25 Farringdon Street
London
England
EC4A 4AB

MAVEN INVESTMENT PARTNERS LTD

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2019

	Notes	2019 £	2018 £
Net trading income		15,634,458	63,975,146
Other operating income		4,156,569	3,269,835
Administrative expenses		(45,880,521)	(28,840,834)
Operating (loss)/profit	4	(26,089,494)	38,404,147
Income tax income/(expense)	8	3,412,981	(4,238,889)
(Loss)/profit and total comprehensive income for the year	18	(22,676,513)	34,165,258

The income statement has been prepared on the basis that all operations are continuing operations.

The accompanying notes on pages 11 to 27 form an integral part of these financial statements.

MAVEN INVESTMENT PARTNERS LTD

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2019

	Notes	2019 £	2018 £
Non-current assets			
Intangible assets	10	29,649	-
Property, plant and equipment	11	806,315	837,150
Deferred tax asset	9	70,294	73,268
		<u>906,258</u>	<u>910,418</u>
Current assets			
Trade and other receivables	12	6,297,177	17,728,221
Current tax recoverable		4,186,998	-
Cash and cash equivalents	13	94,189,620	86,514,650
Financial assets at fair value through profit or loss	14	289,701,006	382,215,694
		<u>394,374,801</u>	<u>486,458,565</u>
Total assets		<u>395,281,059</u>	<u>487,368,983</u>
Current liabilities			
Trade and other payables	15	69,335,959	72,229,216
Other financial liabilities	16	-	105,556,829
Financial liabilities at fair value through profit or loss	14	267,264,472	228,225,797
		<u>336,600,431</u>	<u>406,011,842</u>
Net current assets		<u>57,774,370</u>	<u>80,446,723</u>
Total liabilities		<u>336,600,431</u>	<u>406,011,842</u>
Net assets		<u>58,680,628</u>	<u>81,357,141</u>
Equity			
Called up share capital	17	200,000	200,000
Retained earnings	18	58,480,628	81,157,141
Total equity		<u>58,680,628</u>	<u>81,357,141</u>

MAVEN INVESTMENT PARTNERS LTD

STATEMENT OF FINANCIAL POSITION (CONTINUED)

AS AT 30 JUNE 2019

The financial statements were approved by the board of directors and authorised for issue on 15.01.2020
and are signed on its behalf by:


Mr I Koedjikov
Director

The accompanying notes on pages 11 to 27 form an integral part of these financial statements.

Company Registration No. 07511928

MAVEN INVESTMENT PARTNERS LTD

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2019

	Attributable to the owners of the Company		
	Share capital	Retained earnings	Total
	£	£	£
Balance at 1 July 2017	200,000	46,991,883	47,191,883
Year ended 30 June 2018:			
Profit and total comprehensive income for the year	-	34,165,258	34,165,258
Balances at 30 June 2018	200,000	81,157,141	81,357,141
Year ended 30 June 2019:			
Loss and total comprehensive income for the year	-	(22,676,513)	(22,676,513)
Balances at 30 June 2019	200,000	58,480,628	58,680,628

The accompanying notes on pages 11 to 27 form an integral part of these financial statements.

MAVEN INVESTMENT PARTNERS LTD

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2019

	Notes	2019 £	£	2018 £	£
Cash flows from operating activities					
Cash generated from operations	22	11,401,640		39,664,451	
Tax paid		(3,250,393)		(4,667,172)	
Net cash inflow from operating activities		8,151,247		34,997,279	
Investing activities					
Purchase of intangible assets		(30,737)		-	
Purchase of property, plant and equipment		(445,642)		(455,036)	
Proceeds on disposal of property, plant and equipment		102		30,788	
Net cash used in investing activities		(476,277)		(424,248)	
Net increase in cash and cash equivalents		7,674,970		34,573,031	
Cash and cash equivalents at beginning of year		86,514,650		51,941,619	
Cash and cash equivalents at end of year		94,189,620		86,514,650	

The accompanying notes on pages 11 to 27 form an integral part of these financial statements.

MAVEN INVESTMENT PARTNERS LTD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2019

1 Accounting policies

Company information

Maven Investment Partners Ltd is a private company limited by shares incorporated in England and Wales. The registered office is 6 Bevis Marks, London, England, EC3A 7BA.

The Company's parent is Maven Securities Holding Limited. The ultimate parent undertaking is Maven Securities Limited, a UK tax resident company incorporated in Jersey. Copies of the Group financial statements are appended to the parent company's accounts and are available from Companies House in the United Kingdom. In the opinion of the Directors, there is no one ultimate controlling party.

1.1 Accounting convention

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted for use in the European Union and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS.

The financial statements have been prepared on the historical cost basis as modified by the inclusion of certain financial instruments at fair value. The preparation of the financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies.

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

1.2 Going concern

The Directors have at the time of approving the financial statements, a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Net trading income

Net trading income comprises gains less losses related to trading assets and liabilities after commissions paid and direct trading related expenses, recorded on the trade date of the related transaction.

Interest income and expense, as well as foreign exchange differences on all trading assets and liabilities are considered to be incidental to the Company's trading operations and are presented with all other changes to the fair value of trading assets and liabilities in net trading income.

1.4 Intangible assets other than goodwill

Intangible assets are stated in the statement of financial position at cost less any accumulated impairment losses and, where the useful life is finite, any accumulated amortisation.

1.5 Property, plant and equipment

Property, plant and equipment are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Leasehold improvements	Over the lease term
Fixtures and fittings	25% on cost
Office and computer equipment	66% on cost in first year, 33% on cost in second year

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the income statement.

MAVEN INVESTMENT PARTNERS LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2019

1 Accounting policies

(Continued)

1.6 Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the income statement.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

1.7 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks and all other cash amounts with maturities of three months or less.

1.8 Financial assets and liabilities at fair value through profit or loss

Financial assets at fair value through profit or loss are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term. Derivatives are also categorised as held for trading. Assets in this category are classified as current assets if expected to be settled within 12 months; otherwise, they are classified as non-current.

Financial assets carried at fair value through profit or loss are initially recognised at fair value on trade date, and transaction costs are expensed in the income statement. Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership.

Gains or losses arising from changes in the fair value of the financial assets at fair value through profit or loss category are presented in the income statement within net trading income.

Financial assets and liabilities are presented gross except when a corresponding asset and liability settle on the same day at the same exchange. In accordance with IAS 32 Financial Instruments: Presentation, in these circumstances the cash flows are, in effect, equivalent to a single net amount and there is no exposure to credit or liquidity risk.

For financial reporting purposes (see note 14), fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable. These are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

1.9 Financial liabilities

Financial liabilities are classified as either financial liabilities at fair value through profit or loss or other financial liabilities.

1.10 Share capital

Ordinary shares are classified as equity. Any incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

MAVEN INVESTMENT PARTNERS LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2019

1 Accounting policies

(Continued)

1.11 Current and deferred income tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Company operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions, where appropriate, on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that, at the time of the transaction, affects neither accounting nor taxable profit or loss.

Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

1.12 Provisions

Provisions are recognised when: the Company has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

1.13 Employee benefits

A liability is recognised for benefits accruing to employees in respect of wages, salaries and other benefits in the period to which they relate and become payable. Liabilities are measured at the undiscounted amount of the benefits expected to be paid in exchange for the service to which they relate. The annual contributions payable in respect of defined contribution pension schemes are charged to profit or loss in the period to which they relate. Any cumulative difference between amounts payable and amounts paid are shown in the statement of financial position as receivable or payable.

The Company may, at its discretion, grant share awards to its employees in its ultimate parent, Maven Securities Limited. Such awards are recognised as an expense in the statement of comprehensive income for such award.

1.14 Leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the income statement on a straight-line basis over the period of the lease.

MAVEN INVESTMENT PARTNERS LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2019

1 Accounting policies

(Continued)

1.15 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transaction. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the income statement for the period.

1.16 Other receivables

Other receivables represents amounts relating to prepayments and outstanding loans due from other group subsidiaries. They are recognised initially at fair value and subsequently measured at amortised cost.

1.17 Trade payables

Trade and other payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less (or in normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade payables are recognised initially at fair value and subsequently measured at amortised cost.

2 Adoption of new and revised standards and changes in accounting policies

A number of new standards, amendments and interpretations have been issued for the financial year beginning 1 July 2018, these are as follows:

The Company adopted IFRS 9 from 1 July 2018. This standard replaces the classification and measurement models for financial instruments in IAS 39 with three classification categories for financial assets: amortised cost, fair value through profit or loss and fair value through other comprehensive income and two classification categories for financial liabilities: amortised cost or fair value through profit and loss. There has been no impact on the financial statements as a result of the implementation of this standard.

IFRS 9 also introduces an expected credit loss model for the assessment of impairment. Under the expected credit loss model, impairment losses are recorded if there is an expectation of credit losses, even in the absence of a default event.

The Company adopted IFRS 15 from 1 July 2018. The standard deals with revenue recognition and establishes principles for reporting useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers.

As the Company holds no contracts with customers there has been no impact on the financial statements as a result of the implementation of this standard.

MAVEN INVESTMENT PARTNERS LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2019

2 Adoption of new and revised standards and changes in accounting policies

(Continued)

Standards which are in issue but not yet effective

At the date of authorisation of these financial statements, the following Standards and Interpretations, which have not yet been applied in these financial statements, were in issue but not yet effective (and in some cases had not yet been adopted by the EU):

IFRS 16 requires a lessee to recognise lease assets and liabilities, currently accounted for as operating leases, on the statement of financial position and recognise amortisation of the lease assets and interest on the lease liabilities over the term of the lease. On transition, a lessee may elect not to apply the requirement to leases for which the lease term ends within 12 months of the date of initial application.

This standard is effective for annual periods beginning on or after 1 January 2019, so applicable to the Company from 1 July 2019. The Company holds leases in its own right and will therefore be directly effected by the implementation of IFRS 16. For the Company's non-cancellable operating lease commitments of £2,838,056 as at 30 June 2019 (see note 19), a preliminary assessment indicates that these arrangements will continue to meet the definition of a lease under IFRS 16. The Company will have to recognise a right-of-use asset and a corresponding liability in respect of these leases. The Company estimates the discounted value of those lease commitments to be approximately £2,778,866 based on current discount rates, resulting in a £59,190 credit to the statement of comprehensive income.

3 Critical accounting estimates and judgements

In the application of the Company's accounting policies, management is 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 experience and other factors that are considered to be relevant. Actual results may differ from these estimates. 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 revision and future periods if the revision affects both current and future periods. There are no areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements.

4 Operating (loss)/profit

	2019 £	2018 £
Operating (loss)/profit for the year is stated after charging/(crediting):		
Exchange losses/(gains)	144,464	(84,146)
Depreciation of property, plant and equipment	476,375	303,230
Amortisation of intangible assets	1,088	-

MAVEN INVESTMENT PARTNERS LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2019

5 Auditor's remuneration

	2019 £	2018 £
Fees payable to the Company's auditor and associates:		
For audit services		
Audit of the financial statements of the Company	40,000	15,000
For other services		
Other services pursuant to legislation	-	600
Tax services	-	3,475
Total non-audit fees	-	4,075

The cost of the U.K. group audit is borne by the parent company Maven Securities Holding Limited and costs are allocated to subsidiaries and associate companies.

6 Employees

The average monthly number of persons (including directors) employed by the Company during the year was:

2019 Number	2018 Number
40	38

Their aggregate remuneration comprised:

	2019 £	2018 £
Wages and salaries	25,693,295	6,865,896
Social security costs	1,307,861	583,965
Pension costs	90,910	135,652
	27,092,066	7,585,513

7 Directors' remuneration

	2019 £	2018 £
Remuneration for qualifying services	4,170,681	1,640,447
Amounts receivable under long term incentive schemes	1,845	1,383
	4,172,526	1,641,830

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 1 (2018: 2).

MAVEN INVESTMENT PARTNERS LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2019

7 Directors' remuneration

(Continued)

Remuneration disclosed above include the following amounts paid to the highest paid director:

Remuneration for qualifying services	3,462,230	1,499,333
Company pension contributions to defined contribution schemes	934	681
	<u>3,463,164</u>	<u>1,500,014</u>

During the year, payments were made to Directors of the Company by other group companies. These payments comprised salary and discretionary bonus, and were in relation to their work across the group. Payments relating to services performed for Maven Investment Partners Ltd are shown in the table above. These payments are not all directly included within the profit and loss of Maven Investment Partners Ltd, but are included within the overall recharges from other group companies.

8 Income tax expense

	2019 £	2018 £
Current tax		
UK corporation tax on profits for the current period	-	3,134,291
Adjustments in respect of prior periods	(2,949,576)	85,858
Double taxation relief	-	(524,357)
Group relief surrendered	(910,692)	-
Total UK current tax	<u>(3,860,268)</u>	<u>2,695,792</u>
Foreign taxes and reliefs	444,313	1,554,172
	<u>(3,415,955)</u>	<u>4,249,964</u>
Deferred tax		
Origination and reversal of temporary differences	7,990	11,075
Adjustment in respect of prior periods	(5,016)	-
	<u>2,974</u>	<u>11,075</u>
Total tax charge/(credit)	<u>(3,412,981)</u>	<u>4,238,889</u>

MAVEN INVESTMENT PARTNERS LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2019

8 Income tax expense

(Continued)

The charge for the year can be reconciled to the (loss)/profit per the income statement as follows:

	2019 £	2018 £
(Loss)/profit before taxation	(26,089,494)	38,404,147
Expected tax (credit)/charge based on a corporation tax rate of 19.00%	(4,957,004)	7,296,788
Effects of:		
- Expenses not deductible in determining taxable profit	(2,163)	20,904
- HK losses not utilised	1,402,121	-
- Tax recoverable in respect of prior periods	(2,954,592)	85,858
- Double tax relief	-	(524,357)
- Research and development tax credit	(10,393)	(8,110)
- Difference in overseas tax rates	212,442	-
- Overseas tax rates	-	(3,271,080)
- Losses carried back	2,473,389	-
- HK deferred tax	(7,883)	-
- Transfer pricing adjustments	-	638,204
- Change of tax rate of deferred tax	(429)	682
- Fixed asset differences	26,623	-
- Foreign tax suffered for which DTR not available	404,908	-
Taxation (credit)/charge for the year	(3,412,981)	4,238,889

On 1 July 2016, a CTA09/SI8A branch exemption made in the UK became effective for Maven Investment Partners Limited. Therefore, profits attributable to the Hong Kong and French branches after this date are not taxable in the UK and losses attributable to the Hong Kong and French branches cannot be utilised within the UK.

Maven Securities Holdings Limited (MSH) has a group payment arrangement (GPA) with HMRC, whereby MSH makes payments for and on behalf of UK subsidiaries and fellow subsidiaries, Maven Derivatives Ltd and MVN Asset Management Limited.

MAVEN INVESTMENT PARTNERS LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2019

9 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the Company and movements thereon during the current and prior reporting period.

	Timing differences £
Deferred tax liability at 1 July 2017	-
Deferred tax asset at 1 July 2017	(62,193)
Deferred tax movements in prior year	
Movement in the year	(11,075)
Deferred tax liability at 1 July 2018	7,883
Deferred tax asset at 1 July 2018	(81,151)
Deferred tax movements in current year	
Adjustment in respect of prior period	(5,016)
Short term temporary differences	7,990
Deferred tax liability at 30 June 2019	-
Deferred tax asset at 30 June 2019	(70,294)

Deferred tax assets and liabilities are offset where the Company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

	2019 £	2018 £
Deferred tax assets	(70,294)	(73,268)

MAVEN INVESTMENT PARTNERS LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2019

10 Intangible assets

	Software £
Cost	
Additions - purchased	30,737
At 30 June 2019	30,737
Amortisation and impairment	
Charge for the year	1,088
At 30 June 2019	1,088
Carrying amount	
At 30 June 2019	29,649

11 Property, plant and equipment

	Leasehold improve- ments £	Fixtures and fittings £	Office and computer equipment £	Total £
Cost				
At 1 July 2017	998,407	99,399	543,333	1,641,139
Additions	322,639	5,756	126,641	455,036
Disposals	(60,985)	-	(30,788)	(91,773)
At 30 June 2018	1,260,061	105,155	639,186	2,004,402
Additions	24,407	4,949	416,286	445,642
Disposals	-	(2,178)	(102)	(2,280)
At 30 June 2019	1,284,468	107,926	1,055,370	2,447,764
Accumulated depreciation and impairment				
At 1 July 2017	430,912	42,039	452,056	925,007
Charge for the year	169,110	22,140	111,980	303,230
Eliminated on disposal	(60,985)	-	-	(60,985)
At 30 June 2018	539,037	64,179	564,036	1,167,252
Charge for the year	257,684	31,461	187,230	476,375
Eliminated on disposal	-	(2,178)	-	(2,178)
At 30 June 2019	796,721	93,462	751,266	1,641,449

MAVEN INVESTMENT PARTNERS LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2019

11 Property, plant and equipment

(Continued)

	Leasehold improve- ments £	Fixtures and fittings £	Office and computer equipment £	Total £
Carrying amount				
At 30 June 2019	487,747	14,464	304,104	806,315
At 30 June 2018	721,024	40,976	75,150	837,150
At 30 June 2017	567,495	57,360	91,277	716,132

12 Trade and other receivables

	2019 £	2018 £
Trade receivables	-	30,788
Foreign and UK tax receivable	717,861	1,486,240
Other receivables	113,225	504,182
Amount owed by parent undertaking	-	12,711,046
Amounts owed by fellow group undertakings	4,877,323	2,600,773
Prepayments	588,768	395,192
	<u>6,297,177</u>	<u>17,728,221</u>

Trade receivables disclosed above are classified as loans and receivables and are therefore measured at amortised cost.

13 Cash and cash equivalents

	2019 £	2018 £
Cash at bank and in hand	1,186,963	1,844,875
Cash on deposit	93,002,657	84,669,775
	<u>94,189,620</u>	<u>86,514,650</u>

The credit risk on liquid funds is considered to be limited because the counterparties are banks with an investment grade credit rating assigned by international credit rating agencies. Cash on deposit is held with the Company's clearer.

MAVEN INVESTMENT PARTNERS LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2019

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

	2019	2018
	£	£
Long positions	289,701,006	382,215,694
Short positions	(267,264,472)	(228,225,797)
	<u>22,436,534</u>	<u>153,989,897</u>

The Directors consider that the carrying amount of financial assets and liabilities recorded at market value in the financial statements approximate their fair value. All the trading instruments held by the Company are expected to be settled in less than 12 months.

All financial assets and liabilities held at fair value are categorised as level 1 financial assets and liabilities. There have been no transfers between level 1 and level 2 recurring fair value measurements during the year.

15 Trade and other payables

	2019	2018
	£	£
Trade payables	1,232,882	393,586
Amount owed to parent undertaking	52,568,749	-
Amounts owed to fellow group undertakings	736,962	66,344,518
Accruals	14,079,368	2,298,075
Corporation tax payable	625,011	3,104,361
Other payables	92,987	88,676
	<u>69,335,959</u>	<u>72,229,216</u>

16 Other financial liabilities

	2019	2018
	£	£
Cash payable to clearing agent	-	105,556,829
	<u>-</u>	<u>105,556,829</u>

MAVEN INVESTMENT PARTNERS LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2019

17 Share capital	2019 £	2018 £
Ordinary share capital <i>Issued and fully paid</i> 200,000 ordinary of £1 each	200,000	200,000
	<u>200,000</u>	<u>200,000</u>

Each share entitles the holder to one vote.

18 Retained earnings	2019 £	2018 £
At the beginning of the year	81,157,141	46,991,883
(Loss)/profit for the year	(22,676,513)	34,165,258
At the end of the year	<u>58,480,628</u>	<u>81,157,141</u>

Retained earnings represents cumulative profit and loss net of distributions to owners.

19 Operating lease commitments

Lessee

The Company leases its principal place of business under an operating lease which commenced in August 2016. The lease expires on 23 February 2025. During the prior year, the Company signed a new lease for its principal place of business in Hong Kong, commencing March 2018 and expiring on 25 March 2021.

During the reporting period the Company was charged the following amount in respect of rental costs:

	2019 £	2018 £
Rental charges	<u>778,456</u>	<u>756,905</u>

At the reporting end date the Company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

Commitments	2019 £	2018 £
Within one year	723,149	723,149
Between two and five years	1,933,484	2,221,218
In over five years	181,423	616,839
	<u>2,838,056</u>	<u>3,561,206</u>

MAVEN INVESTMENT PARTNERS LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2019

20 Capital risk management

The Directors determine the Company's business strategy and risk appetite along with designing and implementing a risk management framework that recognises the risks that the business faces. They also determine how those risks may be mitigated and assess on an on-going basis the arrangements to manage those risks. The Directors meet on a regular basis and discuss current projections for profitability and regular capital management, business planning and risk management. The risk is managed through intra-day and end of the day position monitoring. The Directors manage the Company's risks through a framework of policy and procedures having regard to relevant laws, standards, principles and rules with the aim to operate a defined and transparent risk management framework. These policies and procedures are updated as required.

The monitoring of the risks inherent to the business is managed independently from the employees that carry on the trading activities through a sophisticated internal risk management system developed by the Company.

Market risk- price risk

The Company defines market risk in relation to price risk as the risk of losses in on and off-balance sheet positions arising from movements in market prices or risk factors within the Company's trading book. The Board has stated its objective to implement market neutral strategies.

The Directors' principal objective when setting limits is protection of capital, so no individual position or strategy can have undue negative impact on the Company's capital.

Limits are set by the Directors and communicated to the Company's risk manager, the head of operations, the heads of desk and finally to the individuals conducting the trading activity. Limits are reviewed regularly to reflect change in the market conditions and Company activities. Each employee is responsible to stay within these limits, and are monitored and enforced real time by the head of trading and by risk function.

The principal risk metrics that are monitored intra-day and end of the day include gross position size per strategy, position size within a strategy and maximum drawdown.

Market risk sensitivity analysis

The Company implements a market neutral strategy and therefore the market value of its trading asset or trading liabilities is generally not impacted by general market moves.

The below information indicates the impact of a change in the underlying prices of all index products, with all other variables held constant, on the Company profit:

- 5% decrease in price of underlying £322,691 loss (2018: £7,229,275 loss)
- 5% increase in price of underlying £322,691 gain (2018: £7,229,275 gain)

Market risk- foreign exchange risk

The Company has financial instruments which are denominated in various currencies, including Euros and US Dollars and has an active policy to keep these foreign currency exposures to a minimum.

Foreign exchange risk sensitivity analysis

The Company's principal exposure to exchange risk is in relation to its profits and loss and trading instruments denominated in a currency other than Sterling. Risk is actively minimised through hedging at group level. The following table indicates the impact of a change in exchange rates, with all other variables held constant, on the Company's profit or loss:

MAVEN INVESTMENT PARTNERS LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2019

20 Capital risk management

(Continued)

- 5% increase in exchange rates: £14,079 loss (2018: £347,105 loss)
- 5% decrease in exchange rates: £14,079 gain (2018: £347,105 gain)

Execution risk

This is the risk that a trade is entered erroneously. The Company has pre-trade checks to reject orders that exceed pre-set limits. Some exchanges also offer market maker protections that give an additional level of pre-trade check.

Credit risk

Credit risk arises from the possibility that the Company will experience a loss when a counterparty defaults.

Given the nature of the business, credit risk is limited as the Company deals mainly with exchanges and creditworthy counterparties.

The Company is exposed to credit risk due to the fact the Company maintains cash balances and securities at its clearers. The Directors monitor the creditworthiness of their clearers and will reduce or rebalance its positions in case of events that would jeopardise the safety of the Company's assets.

Model risk

This is the risk that a sufficiently wrong assumption or parameter slips into the trading system. As the model is used as a benchmark for assessing the risks for Maven Investment Partners Ltd and to hedge them, a wrong model could imply a wrong hedge. The Company monitors the theoretical difference which is the difference between the market price of the exchange or clearer and the market price generated by the Company model. Any significant theoretical difference is investigated.

Business continuity risk

This is the risk of a system disruption, preventing access to the market or control of the automated trading system. The Company backs up critical data and has certain back up infrastructure that would allow operations to continue for a certain period in case of power breakdown.

Liquidity risk

Liquidity risk is the risk that the Company, although solvent, will not have sufficient available resources to meet its financial obligations as they fall due. The Company monitors cash and margin requirements on a daily basis to ensure that it is able to meet obligations in both normal and stressed scenarios.

Asset liquidity risk

This is the risk that the Company enters into positions that subsequently have a low trading volume and the Company can no longer close off the deal when, or if, necessary. The Company systematically monitors this risk.

MAVEN INVESTMENT PARTNERS LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2019

21 Related party transactions

Other transactions with related parties

The largest and smallest group of undertakings for which group accounts have been drawn up which include the Company is headed by Maven Securities Limited, a company incorporated in Jersey. Maven Securities Limited is also the Company's ultimate parent company and controlling entity.

During the year, the Company entered into transactions in the ordinary course of business with related parties. Outstanding balances with other group companies are interest bearing, at a rate of 2.21%, charged daily.

During the year the Company entered into the following transactions with related parties:

	Recharge income (incl interest)		Recharge expense (incl interest)	
	2019	2018	2019	2018
	£	£	£	£
Ultimate Parent company	68	241	13,423	-
Parent company	279,379	370,794	10,621,283	6,030,498
Associates	3,815,121	2,814,482	1,891,842	10,746,058
	<u>4,094,568</u>	<u>3,185,517</u>	<u>12,526,548</u>	<u>16,776,556</u>

The following amounts were outstanding at the reporting end date:

	2019	2018
	£	£
Amounts due to related parties		
Ultimate parent company	3,755	-
Parent company	52,568,749	-
Associates	733,207	66,344,518
	<u>53,305,711</u>	<u>66,344,518</u>

The following amounts were outstanding at the reporting end date:

	2019	2018
	£	£
Amounts due from related parties		
Ultimate parent company	-	19,567
Parent company	-	12,711,046
Associates	4,877,323	2,581,206
	<u>4,877,323</u>	<u>15,311,819</u>

No guarantees have been given or received.

MAVEN INVESTMENT PARTNERS LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2019

21 Related party transactions

(Continued)

Loans are made and repaid between group companies throughout the year as the need arises. During the year, in addition to the above recharges, net loans from the ultimate parent company of increased by £9,967 (loans to the ultimate parent company increased by 2018: £11,739), net loans from parent company increased by £54,937,891 (2018: loans to the ultimate parent company increased by £14,812,320) and net loans to affiliates decreased by £65,984,149 (2018: increased by £16,546,545).

22 Cash generated from operations

	2019	2018
	£	£
(Loss)/profit for the year after tax	(22,676,513)	34,165,258
Adjustments for:		
Taxation (credited)/charged	(3,412,981)	4,238,889
Amortisation and impairment of intangible assets	1,088	-
Depreciation and impairment of property, plant and equipment	476,375	303,230
Movements in working capital:		
Decrease/(increase) in trade and other receivables	11,431,044	(9,035,403)
(Decrease)/increase in trade and other payables	(413,907)	19,712,439
Movement in financial assets and liabilities	25,996,534	(9,719,962)
Cash generated from operations	11,401,640	39,664,451