

DIRECTORS' REPORT

The Directors are satisfied that the Group has adequate resources to operate within the level of its current and forecast liabilities. The Group also has a strong focus on working capital management and ensures the payment of the Company's current liabilities. There is also a focus on monitoring the regulatory capital of the LLP and the UK consolidation group to ensure all regulatory capital requirements are met. The Company does not have any obligation to repay long-term debt prior to maturity.

The UK government's decision to withdraw from the European Union (EU), hasn't had a material impact on the Company's business model, however access to EU markets and counterparties remains a focus for Peel Hunt.

Prior to the year under review, Coronavirus was declared a pandemic by the World Health Organisation. The initial uncertainty led to unprecedented and dramatic falls in global equity markets and significant volatility in UK equity prices. During the year, the UK government declared a series of nationwide lockdowns, closing non-essential workplaces, including manufacturing, retail and leisure businesses. The continued closure of UK businesses had a significant strain on their profitability, cash flow and balance sheets.

Peel Hunt has been able to help clients access capital through its Investment Banking division and also helped provide much needed liquidity to UK equity markets through its Execution & Trading team. This has resulted in significant increases in market making volumes during the year to 31 March 2021, leading to an increase in revenue against the original budget.

With the advancement of vaccination programmes and government intervention to stimulate the economy, certain industry sectors began to regain market losses. Some industry sectors have continued to adapt and outperform expectations, widening the gap with industry sectors that have suffered a decline due to the pandemic.

No Peel Hunt staff have been placed on furlough as a result of the pandemic, and no reliance has been placed on government loans, grants or rates relief.

Accordingly, the Directors continue to adopt the going concern basis in preparing the financial statements.

Charitable contributions

Group charitable contributions of £45,320 (31 March 2020: £38,430), were made during the period under review and no political contributions were made (31 March 2020: £nil).

Directors' indemnities

In accordance with the Company's Articles of Association, the Company has made qualifying third party indemnity provisions for the benefit of its Directors and officers. These arrangements were in place throughout the period and remained in effect at the date of approval of this Report.

Streamlined Energy and Carbon Reporting (SECR)

Statement of carbon emissions in compliance with SECR covering energy use and associated greenhouse gas emissions relating to gas, electricity and transport, intensity ratios and information relating to energy efficiency actions:

	31-Mar-21	31-Mar-20
Total energy use covering electricity, gas and transport (kWh)	565,978	739,560
Total emissions generated through combustion of gas (tCO ₂ e)	35.97	42.60
Total emissions generated through use of purchased electricity (tCO ₂ e)	77.69	128.76
Total emissions generated through business travel (tCO ₂ e)	1.73	1.17
Total gross emissions (tCO ₂ e)	120.72	172.53
Intensity ratio (total gross emissions) (kgCO ₂ e per sqft)	2.00	8.46

SECR methodology is outlined in "Environmental reporting guidelines: including Streamlined Energy and Carbon Reporting and greenhouse gas reporting". This is used in conjunction with Government greenhouse gas reporting conversion factors.

Independent Auditors


Each of the persons who is a Director at the date of the approval of this report confirms that:

- so far as the Director is aware, there is no relevant audit information of which the Company's auditors are unaware; and
- the Director has taken all the steps that he ought to have taken as a Director in order to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

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

PricewaterhouseCoopers LLP have expressed their willingness to continue in office as auditors and a resolution to reappoint them will be proposed at the next Board meeting.

Approved by the Board and signed on behalf of the Board:



Steven Fine – Director