Final Results

For the financial year ended 31 March 2020

Embargoed until 7:00am on 4 June 2020

Fund management profits up 27%, €10.2bn of new money raised.

Total dividend up 13%

Highlights

- AUM up 22% on 31 March 2019 to €45.3bn, with €10.2bn of new money raised
- Fund Management Company profits up 27% to £183.1m (2019: £143.8m); average fee rates maintained
- Investment Company loss of £68.6m (2019: £39.1m profit) reflecting lower valuations of unrealised assets in the final quarter as a result of Covid-19, leading to Group profit before tax on an IFRS basis down 37% to £114.5m (2019: £182.9m)
- Earnings per share of 38.2p (2019: 63.4p); Fund Management Company 63.4p (2019: 49.0p) and Investment Company a loss of 25.2p (2019: 14.4p profit)
- Final ordinary dividend up 2% to 35.8p per share; total ordinary dividends in the year up 13% to 50.8p per share
- Business remains fully operational with colleagues adapting rapidly to new ways of working and interacting closely with portfolio companies, investments and clients
- Outlook: despite the challenges of Covid-19, our business remains resilient with good visibility on future management fees due to the long-term nature of our funds, underpinned by a strong and well-capitalised balance sheet, with £1.2bn of available liquidity

Commenting on the results, Benoit Durteste, CEO, said:

"This has been another strong year for ICG, and with our strategic focus on the growth and performance of our fund management business, we raised €10.2bn during the year. Despite the impact of the Covid-19 pandemic on the latter part of our fiscal year, we continue to drive long-term value creation for our shareholders. We are in a resilient position with long-term contracted fee streams, a strong balance sheet and £1.2bn of available liquidity.

We expect lower fundraising and investment activity in the short term, but our market fundamentals remain strong, our exposure to the most affected sectors is limited, and we are working closely with all our investments and portfolio companies to help them adapt to this new environment. We believe that the long-term drivers of increased allocations to the alternative asset class will continue and the current conditions will present investment opportunities for private capital to help bolster economies.

Given our strengthened business model, €11.4bn of investment capacity and disciplined investment capabilities, we are well placed to benefit from these opportunities and continue to create value for our shareholders and clients."

Commenting on the results, Lord Davies of Abersoch, Chairman, said:

"In these unprecedented times, ICG has an essential role to play in supporting business success, thereby generating financial returns for its fund investors and its shareholders. ICG is in an excellent position, with a resilient business model underpinned by a strong, well-capitalised balance sheet. We are therefore well placed to weather the current economic storm and to emerge in a stronger position than before. It is this backdrop that enabled the Board to recommend a 2% increase in the final ordinary dividend to 35.8p."

Financials

	31 March 2020	31 March 2019	% change
Alternative Performance Measure			
Fund Management Company profit before tax[1]	**£183.1m**	£143.8m	27%
Investment Company (loss)/profit before tax[1]	**£(72.3)m**	£134.5m	(154%)
Group profit before tax[1]	**£110.8m**	£278.3m	(60%)
Earnings per share[1]	**38.3p**	94.9p	(60%)
Gross gearing[1]	**1.46x**	0.86x	70%
Net gearing[1]	**0.76x**	0.74x	3%
Net asset value per share[1]	**£4.63**	£4.93	(6%)
IFRS Consolidated			
Fund Management Company profit before tax	**£183.1m**	£143.8m	27%
Investment Company (loss)/profit before tax	**£(68.6)m**	£39.1m	(275%)
Group profit before tax	**£114.5m**	£182.9m	(37%)
Earnings per share	**38.2p**	63.4p	(40%)
Dividend per share in respect of the year	**50.8p**	45.0p	13%

[1] These are non IFRS alternative performance measures and exclude the impact of the consolidation of certain funds and CLOs following the adoption of IFRS 10. In the prior year, under IFRS the valuation of CLO loan notes held by the Group was aligned with the valuation technique used for the alternative performance measure resulting in a one-off reduction to the IFRS reported profit after tax. Further details and a reconciliation of the numbers can be found on page 38.

Assets under management[1]

	31 March 2020	31 March 2019	% change
Third party assets under management	**€42,829m**	€34,461m	24%
Balance sheet portfolio	**€2,471m**	€2,621m	(6%)
Total assets under management	**€45,300m**	€37,082m	22%
Third party fee earning assets under management	**€35,868m**	€29,626m	21%

The following foreign exchange rates have been used:

	31 March 2020 Average	31 March 2019 Average	31 March 2020 Period end	31 March 2019 Period end
GBP:EUR	**1.1447**	1.1343	**1.1249**	1.1619
GBP:USD	**1.2712**	1.3090	**1.2420**	1.3038

Enquiries

A presentation for investors and analysts will be held at 13:00 BST today on our website via the Webcast link under Latest Results https://www.icgam.com/shareholders. For those unable to dial in it will be available on demand https://www.icgam.com/shareholders later in the day.

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This results statement may contain forward looking statements. These statements have been made by the Directors in good faith based on the information available to them up to the time of their approval of this report and should be treated with caution due to the inherent uncertainties, including both economic and business risk factors, underlying such forward looking information.

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This Results statement contains information which prior to this announcement was insider information.

About ICG

ICG is a global alternative asset manager with over 30 years' history.

We manage €45.3bn of assets in private debt, credit and equity, principally in closed-end funds. We provide capital to help companies grow through private and public markets, developing long-term relationships with our business partners to deliver value for shareholders, clients and employees.

We operate across four asset classes – corporate, capital market, real asset and secondary investments. In addition to growing existing strategies, we are committed to innovation and pioneering new strategies across these asset classes where the market opportunity exists.

ICG is listed on the London Stock Exchange (ticker symbol: ICP). Further details are available at: www.icgam.com. You can follow ICG on LinkedIn https://www.linkedin.com/company/52126.

Business review

We have continued to grow our global alternative asset management business in line with our strategic objectives, delivering:

- Strong fundraising: €10.2bn raised across a diverse range of strategies and well in excess of our target
- Stable fee rates: weighted average fee rate[1] at 0.86% in line with the prior year
- Substantial investment capacity: after deploying €5.9bn across our strategies we have €11.4bn of capital available to support portfolio companies and take advantage of market opportunities
- Robust financial position: strong balance sheet, with £1.2bn of available liquidity

Notwithstanding the above, the year-end unrealised valuation of the portfolio has been negatively impacted by the market dislocation due to the Covid-19 pandemic.

Resilient business model

The human consequences of the Covid-19 pandemic are of the utmost importance to management and the Board and will remain a focus for some time to come. We have remained fully operational throughout the lockdowns imposed by many governments and are proud of the way our teams have responded and adapted to new working practices. We remain alert to the practical challenges for some, as well as the increased mental and physical health risks, and have put in place comprehensive support for our people. We have been in contact with our key outsourced providers and have been reassured that they have sufficient, robust processes in place. We have also supported two charities who are working to soften the wider impact of Covid-19 around the world.

As a result of the pandemic and measures to manage it, the global economy has contracted sharply in recent weeks. We have entered a period of significant uncertainty. The timing and nature of any economic recovery, as well as the potential longer-lasting effects on countries, policies and industries, remain highly unpredictable. Since the emergence of the pandemic, we have been in active dialogue with our portfolio companies and working with their management teams to understand, and address, the specific challenges they are facing. We have discussed remediation measures and exit strategies, as well as the buy-and-build opportunities which we anticipate will arise with some sector consolidation.

Resilience becomes the new watchword, and over the decade since the Global Financial Crisis (GFC), we have transformed and strengthened our business model. We have evolved from being a balance sheet investor to become a leading global alternative asset manager. We now have a diversified product offering from which we derive dependable recurring fee streams from a broad and global institutional client base, supported by a strong and well-capitalised balance sheet. These are the foundations of our resilient business model. In addition, as our funds are primarily closed-ended, long in duration, and with no redemption option, we are differentiated from traditional asset managers, and better able to withstand economic cycles.

The alternative asset management industry has also evolved over the last decade to become an integral part of the global financial system. Institutional investors, attracted by enhanced returns, lower volatility and diversification opportunities, have increased their allocations to alternative investment strategies year-on-year. At the same time, the investment market has grown, with companies staying private for longer, benefiting from alternative sources of financing. We expect these long-term trends to continue and, as after the GFC, potentially further to accelerate in the wake of the current crisis.

Fundraising increases recurring fee streams

At €10.2bn (2019: €10.0bn), this has been an exceptional year for fundraising, the lead indicator for future fees and profitability. Of this, €2.5bn was raised in the last two months of the year by which time the potential impact of Covid-19 was already becoming evident. With 86% of our AUM in closed end funds, investor commitments and related fee streams are fixed for the life of the fund (typically 6-12 years) and are unaffected by valuation movements.

We had significant success during the year in raising €1.6bn across our three new strategies: Sale & Leaseback, Infrastructure Equity and European Mid-Market. Fees on all three are payable on committed capital from the first close, and hence have already started to contribute to our profits. We continue to fundraise for our Sale & Leaseback and Infrastructure Equity funds.

We had further success with Senior Debt Partners. We decided to bring forward fundraising for this, one of our largest strategies, to take advantage of favourable market conditions and raised €3.3bn in the year, across Fund IV and segregated mandates. Our liquid open-ended credit strategies raised €1.8bn, continuing the momentum of prior years. We also raised money for our real estate strategies; the fourth vintage of our Asia Pacific Fund; completed the fundraising for our Strategic Equity strategy; closed two CLOs; and raised money for our Australian Senior Loans fund, demonstrating the depth and diversity of our product offering.

As at the end of March 2020, we had €11.4bn of capital available to deploy across all strategies. This places us in a strong position to access the attractive deal opportunities that are emerging.

During the year, we deployed €5.9bn across our direct investment strategies, in line with the prior year. Of note, deployment in the current year was weighted more to our senior secured debt strategies as we adopted a more conservative approach to investing amid changed market conditions.

We have had no significant outflows from our open-ended funds (which represent 14% of total AUM) during the year or up to the date of this report. Indeed, these funds have experienced net inflows since the year end, reflecting the relevance of our strategies to fund investors and our increasingly established track record in this market.

Diversified portfolios support resilient long-term performance

To date, the negative effect of the economic shock caused by Covid-19 on our portfolios has been reduced by diversification, the nature of the instruments we invest in, and our conservative approach to structuring. We are investing across 21 strategies globally and have very little exposure to industries which are most exposed to the Covid-19 crisis. Private debt consists a significant proportion of our portfolios which is structurally less susceptible to valuation swings when compared to private or indeed public equity. We do not leverage our funds, even for our senior debt strategies.

We continue to adopt a robust valuation methodology taking account of the longer-term prospects for our portfolios as assessed at the year end. In addition, our disciplined approach to realising assets when possible in order to anchor performance means we already have good visibility over the likely outcomes for many of our vintages. Our clients assess our performance on the returns we generate over the life of a fund, and we still expect to meet or exceed our fund return hurdle rates over the longer term.

Our balance sheet capital is invested alongside our funds and is both an enabler and an accelerator of the growth of our fund management business. Our balance sheet portfolio is widely diversified, investing in over 300 companies, across 36 industries and 34 countries through the funds it has invested in. Although we experienced unrealised losses on our balance sheet portfolio due to the market dislocation caused by the Covid-19 pandemic, these were moderate due to our diversification. Only 5% of the balance sheet portfolio is exposed to oil and gas, and other industries currently most exposed to a downturn. A further 13% is invested in CLOs managed by our team, in line with regulatory minimums. We believe this level of diversification increases the resilience of the portfolio.

Robust financial position and progressive dividend

The Group maintains conservative financial leverage, and we continuously manage our sources of balance sheet financing to ensure we have appropriate diversification, and had liquidity of over £1.2bn at year-end. The weighted average life of drawn debt at 31 March 2020 was 4.2 years with £250m of maturities in the financial year ending 31 March 2021, in part funded by raising a €500m seven-year Eurobond with a coupon of 1.625% in February 2020.

In line with our dividend policy, and reflecting the performance of our Fund Management Company, our resilient business model and our robust financial position, the Board recommends a final dividend of 35.8p per share (2019: 35.0p) equating to a total for the year of 50.8p per share (2019: 45.0p), an increase of 13%. This represents 80% of the post-tax profits of the Fund Management Company, using the Group's effective tax rate. It is also covered 0.75 times by total adjusted earnings. We continue to make the dividend reinvestment plan available.

Board changes

We have seen a number of changes at board level, welcoming Lord Davies of Abersoch as Chair and Vijay Bharadia and Antje Hensel-Roth (in April 2020) as Executive Directors. They bring with them a wide variety of experience and perspectives and are already making valuable contributions to board proceedings. We are grateful to Kevin Parry (former Chair) and Philip Keller (former CFOO) who have left the Board having contributed to the Group's strategy over many years.

Outlook: significant long-term growth potential

It is likely to be some time before the full social and economic impact of Covid-19 is known. During this time the Board and management will continue to work closely together to manage the business in the best interests of our people, our shareholders, our clients and other stakeholders.

We have made a strong start to the fundraising year, but overall fundraising will be slower in the current financial year. In addition to the wider market challenges, this is in part because once Senior Debt Partners is fully raised, we will have none of our larger funds in the market in the coming year, in line with our well-established, long-term fundraising plan.

Since the outbreak of the pandemic, both investment and realisation activity have slowed materially. While we do not expect significant realisations in the coming financial year, we have already signed a number of new investments across strategies and geographies. Once lockdown measures are eased further and there is greater clarity around the economic outlook, we expect investment activity to pick up. We will, as always, remain disciplined in our approach, but expect to find attractive opportunities for investments which will support business recovery and success over the long investment horizons of our strategies.

We will continue to manage our portfolios closely, and while we take a robust approach to portfolio valuations, it is too early to take a view on the extent of further unrealised write downs which might be required if conditions further deteriorate during the year. However, our focus on closed-end funds, with clients committed over a long term, enables us to manage our portfolios through economic cycles, with the aim of continuing to deliver superior returns for all our investors.

Our market fundamentals remain strong and we expect the current environment to present further opportunities for us to innovate and increase diversification by asset class and geography. We have a proven track record of launching and scaling up new strategies, making us an attractive proposition for new teams. During the year, we began the process for developing a global secondaries fund strategy as well as a US private equity fund strategy, with high profile hires. The teams will use balance sheet capital to make initial investments and demonstrate proof of concept for these scalable strategies, before commencing preparations for launching dedicated third-party funds.

These are unprecedented times, but with our resilient business model underpinned by a strong, well-capitalised balance sheet, we are in a strong position from which to navigate the challenges and capitalise on the opportunities that this crisis will present. We have transformed into a leading global alternative asset manager and are well placed for significant long-term growth and shareholder value creation.

[1] These are non IFRS GAAP alternative performance measures. Please see the glossary on page 38 for further information.

Finance and operating review

The financial information prepared for, and reviewed by, management and the Board is on a non-IFRS basis. These are alternative performance measures as defined in the glossary on page 38. The IFRS financial statements are on pages 22 to 37.

Under IFRS the Group is deemed to control funds where it can make significant decisions that can substantially affect the variable returns of investors. There are 16 credit funds and CLOs that are required to be consolidated under this definition of control. This has the impact of including all of the assets and liabilities of these funds in the consolidated statement of financial position and recognises all the related interest income and gains or losses on investments in the consolidated income statement. However, the legal and economic structure of these funds means that shareholders are only exposed to the Group's own investment into these funds and CLOs.

The Board believes that presenting the financial information in this review on a non-IFRS basis, and therefore excluding the impact of the consolidated credit funds and CLOs, assists shareholders in assessing their investment and the delivery of the Group's strategy through its financial performance. This is consistent with the approach taken by management, the Board and other stakeholders.

The Group's profit after tax on an IFRS basis was below the prior year at £110.6m (2019: £184.5m). On the alternative performance measurement basis, it was also below the prior year at £109.2m (2019: £269.3m). The reconciliation is as follows:

			2020			2019
Income statement	**Alternative performance measurement basis £m**	**Adjustments £m**	**IFRS as reported £m**	Alternative performance measurement basis £m	Adjustments £m	IFRS as reported £m
Revenue						
Fee and other operating revenue	**277.8**	**(11.7)**	**266.1**	219.8	(7.2)	212.6
Finance and dividend income	**41.2**	**(11.1)**	**30.1**	34.4	(8.8)	25.6
Net investment returns /gains on investments	**49.4**	**68.0**	**117.4**	275.1	(49.2)	225.9
Total revenue	**368.4**	**45.2**	**413.6**	529.3	(65.2)	464.1
Finance costs	**(31.2)**	**(27.1)**	**(58.3)**	(36.7)	(17.2)	(53.9)
Administrative expenses	**(226.4)**	**(15.0)**	**(241.4)**	(214.3)	(13.6)	(227.9)
Other	**-**	**0.6**	**0.6**	-	0.6	0.6
Profit before tax	**110.8**	**3.7**	**114.5**	278.3	(95.4)	182.9
Tax	**(1.6)**	**(2.3)**	**(3.9)**	(9.0)	10.6	1.6
Profit after tax	**109.2**	**1.4**	**110.6**	269.3	(84.8)	184.5

The prior year difference between internal and IFRS financial information is primarily in the valuation of the CLO loan notes within the Investment Company. The adoption of IFRS 9 in the prior year prompted the Group to reconsider the valuation technique used to determine the valuation of the CLO loan notes in the IFRS financial information. The IFRS valuation of CLO loan notes has been aligned with the valuation technique used under the alternative performance measure basis resulting in a one-off reduction to the IFRS reported profit after tax. Going forward we do not anticipate profit, or earnings per share, on an alternative performance measure basis to be materially different to that on an IFRS basis.

The Group has adopted IFRS 16 'Leases' with effect from 1 April 2019, with the impact of adoption detailed in note 1 to the financial statements.

Alternative performance measures are denoted by [1] throughout this review. The definition, and where appropriate, reconciliation to the IFRS measure, is included in the glossary on page 38.

Overview

The Group's profit before tax[1] for the period under the alternative performance measurement basis was 60% lower at £110.8m (2019: £278.3m), with Fund Management Company (FMC) profit of £183.1m (2019: £143.8m) and Investment Company (IC) loss[1] of £72.3m (2019: £134.5m profit).

Our principal profit metric is FMC profit which has benefited from the increase in assets under management, increased fee income and a slower increase in operating costs. The IC has reported a loss reflecting lower net investment returns due to unrealised losses recognised in March 2020 arising from the year end portfolio valuations which have been negatively impacted by the market dislocation due to the Covid-19 pandemic.

The IC loss includes a gain of £26.6m (2019: gain of £17.2m) arising from the fair value of hedging derivatives. We use derivatives to match the currency exposure of our Investment Company assets and related liabilities; the fair value movement reflects the average unhedged net asset position in the period.

Income statement **Alternative performance measurement basis**	**31 March 2020** **£m**	31 March 2019 £m	Change %
Fund Management Company	**183.1**	143.8	27%
Investment Company	**(72.3)**	134.5	(154%)
Profit before tax	**110.8**	278.3	(60%)
Tax	**(1.6)**	(9.0)	n/a
Profit after tax	**109.2**	269.3	(59%)

The effective tax rate is lower than the standard corporation tax rate of 19%, as detailed on page 35. This is due to a significant proportion of the Investment Company's assets being invested directly into funds based outside the United Kingdom. Investment returns from these funds are paid to the Group in the form of non-taxable dividend income. This outcome is in line with other UK investment companies. The Investment Company's taxable costs offset the taxable profits of our UK Fund Management business, reducing the overall Group charge.

Based on the alternative performance measurement profit above, the Group generated a ROE[1] of 7.9% (2019: 20.0%) and earnings per share[1] for the period of 38.3p (2019: 94.9p).

Net current assets[1] of £762.3m are up from £328.1m at 31 March 2019, with a £784.7m increase in cash, partially offset by financial liabilities maturing within one year increasing by £256.0m.

Fund Management Company

Assets under management

A key measure of the success of our strategy to generate value from our fund management business is our ability to grow assets under management (AUM). New AUM, or fundraising, is our best lead indicator to recurring future fee streams and therefore increasing sustainable profits. In the year to 31 March 2020, the net impact of fundraising and realisations increased third party AUM[1] by 24% to €42.8bn. AUM by strategic asset class is detailed below.

Third party AUM by strategic asset class	Corporate Investments €m	Capital Market Investments €m	Real Asset Investments €m	Secondary Investments €m	Total Third Party AUM €m
At 1 April 2019	17,144	11,505	3,581	2,231	34,461
Additions	4,795	2,526	1,701	1,128	10,150
Realisations	(1,180)	(204)	(190)	(91)	(1,665)
FX and other	(70)	4	(148)	97	(117)
At 31 March 2020	**20,689**	**13,831**	**4,944**	**3,365**	**42,829**
Change %	21%	20%	38%	51%	24%

Corporate Investments
Corporate Investments third party funds under management increased 21% to €20.7bn in the year, with new AUM of €4.8bn, including €3.3bn for Senior Debt Partners and €0.9bn for the new Europe Mid-Market Fund, exceeding the realisations from our older funds.

Capital Market Investments
Capital Market Investments third party funds under management increased 20% to €13.8bn, with new AUM of €2.5bn raised in the year. During the year we raised two CLOs, one each in Europe and the US, raising a total €0.7bn. The remaining €1.8bn was raised across our other liquid credit funds and multi-asset mandates.

Real Asset Investments
Real Asset Investments third party funds under management increased 38% to €4.9bn, with new AUM of €1.7bn raised in the year, primarily for ICG-Longbow Fund V, our UK real estate partnership capital strategy, and our UK real estate senior debt strategy. Included in this strategic asset class is our new Sale & Leaseback strategy which raised €0.5bn during the year and Infrastructure Equity which raised €0.2bn. As both these strategies charge fees on committed capital they are immediately contributing to the Group's profit.

Secondary Investments
Secondary Investments third party funds under management increased 51% to €3.4bn, with new AUM of €1.1bn raised in the year for our Strategic Equity strategy, including €0.8bn for Strategic Equity Fund III and €0.3bn of segregated mandates.

Fee earning AUM
The investment rate for our Senior Debt Partners strategy, Real Estate funds and North American Private Debt Fund has a direct impact on FMC income as fees are charged on an invested capital basis. The total amount of third-party capital deployed on behalf of the direct investment strategies was €5.9bn in the year compared to €6.0bn in the last financial year. The direct investment funds are investing as follows, based on third party funds raised at 31 March 2020:

Strategic asset class	Fund	% invested at 31 March 2020	% invested at 31 March 2019	Assets in fund at 31 March 2020	Deals completed in year
Corporate Investments	ICG Europe Fund VII	52%	38%	8	2
Corporate Investments	North American Private Debt Fund II	26%	22%	7	2
Corporate Investments	Senior Debt Partners III*	90%	43%	37	17
Corporate Investments	Senior Debt Partners IV*	19%	-	4	4
Corporate Investments	Asia Pacific Fund III	93%	93%	8	0
Corporate Investments	Europe Mid-Market Fund	7%	-	1	1
Real Asset Investments	ICG Longbow Real Estate Fund V	61%	25%	14	6
Secondary Investments	Strategic Secondaries II	100%	82%	12	1
Secondary Investments	Strategic Equity III	30%	-	3	3

*Co-mingled fund, excluding mandates and undrawn commitments

Fee earning AUM has increased 21% to €35.9bn since 1 April 2019 primarily due to the immediate impact of those funds which charges fees on committed capital and the deployment of Senior Debt Partners and real estate funds. New investments made are partially offset by realisations in our older funds as detailed below:

Third party fee earning AUM bridge	Corporate Investments €m	Capital Market Investments €m	Real Asset Investments €m	Secondary Investments €m	Total Third Party Fee Earning AUM €m
At 1 April 2019	13,545	11,123	2,891	2,067	29,626
Additions	4,091	2,360	1,186	1,128	8,765
Realisations	(1,952)	(319)	(188)	(90)	(2,549)
FX and other	(43)	18	(105)	156	26
At 31 March 2020	**15,641**	**13,182**	**3,784**	**3,261**	**35,868**
Change %	15%	19%	31%	58%	21%

Fee income

Third party fee income[1] of £277.8m was 26% higher than the prior year due to the successful fundraising of funds which charge fees on committed capital and investments made by other funds that charge fees on invested capital. Details of movements are shown below:

Fee income	31 March 2020 £m	31 March 2019 £m	Change %
Corporate Investments	**156.4**	131.1	19%
Capital Market Investments	**53.2**	42.8	24%
Real Asset Investments	**25.1**	22.4	12%
Secondary Investments	**43.1**	23.5	83%
Total third-party funds	**277.8**	219.8	26%
IC management fee	**22.4**	20.5	9%
Total	**300.2**	240.3	25%

Third party fees include £23.5m of performance fees (2019: £21.9m), of which £19.9m (2019: £16.4m) related to Corporate Investments and £3.3m (2019: £5.3m) to our Strategic Equity fund strategy. At 8.5% (2019: 10.0%) of total third-party fees, the amount of performance fees recognised in relative terms has reduced from the prior year reflecting the expected slowdown in realisations in the near term due to the Covid-19 pandemic. Performance fees remain a small but integral part of the fee income profile and profitability of the Group.

Third party fees are 85% denominated in Euros or US dollars. The Group's policy is to hedge non-Sterling fee income to the extent that it is not matched by costs and is predictable. Total fee income included a £4.0m (2019: £2.0m) FX benefit in the year.

The weighted average fee rate[1], excluding performance fees, across our fee earning AUM is 0.86% (2019: 0.86%).

Weighted average fee rates	31 March 2020 £m	31 March 2019 £m
Corporate Investments	**1.05%**	1.05%
Capital Market Investments	**0.49%**	0.52%
Real Asset Investments	**0.91%**	0.88%
Secondary Investments	**1.49%**	1.29%
Total third-party funds	**0.86%**	0.86%

Other income

In addition to fees, the FMC recorded dividend receipts[1] of £41.2m (2019: £34.4m) from the increased number and performance of CLOs. CLOs are structured so that dividends can only be paid if the fund is meeting its leverage covenant test. If the credit ratings of the underlying portfolios were to be sufficiently downgraded, the level of dividends received from CLOs in the short term would reduce.

Operating expenses

Operating expenses of the FMC were £158.3m (2019: £130.9m), including salaries and incentive scheme costs.

Salaries were £55.7m (2019: £47.3m) as average headcount increased 20% from 282 to 337, with continued investment across our platform. Increased headcount also increased incentive scheme costs to £56.8m (2019: £44.5m). Other administrative costs have increased to £45.8m (2019: £39.1m) reflecting the growth of the business, with no individually significant increases.

The FMC operating margin[1] was 53.6% up from 52.3% in the prior year, as a result of average fee earning AUM increasing 26% to €33.1bn for the year thereby increasing the operating leverage of our existing strategies.

Investment Company

Balance sheet investments

The balance sheet investment portfolio[1] reduced 3% in the year to £2,197m at 31 March 2020, representing 5.5% (2019: 7.1%) of total assets under management, as illustrated in the investment portfolio bridge below.

	£m
At 1 April 2019	2,255.7
New investments	329.4
Net transfer from current assets	11.6
Realisations	(475.2)
Net investment returns	38.0
Cash interest received	(16.5)
FX and other	53.8
At 31 March 2020	**2,196.8**

Realisations comprise the return of £262.7m of principal and the crystallisation of £212.5m of net investment returns.

In the period £128.5m was invested alongside our Corporate Investments strategies for new and follow on investments. Of the remaining £200.9m, £45.1m was invested in new and reset CLOs, £111.9m in our Real Asset Investment strategies and £43.9m in our Strategic Equity strategy.

The Sterling value of the portfolio increased by £58.6m due to FX movements. The portfolio is 49% Euro denominated, 24% US dollar denominated and 16% Sterling denominated.

The balance sheet investment portfolio is weighted towards the higher returning asset classes as illustrated below:

	Target return profile	**As at 31 March 2020 £m**	**% of total**	As at 31 March 2019 £m	% of total
Corporate Investments	15-20%	1,327	60%	1,343	59%
Capital Market Investments	5-10%	433	20%	556	25%
Real Asset Investments	c10%	297	14%	183	8%
Secondary Investments	15-20%	140	6%	174	8%
Total balance sheet portfolio		2,197	100%	2,256	100%

In addition, £12.8m (2019: £110.7m) of current assets are held on the balance sheet prior to being transferred to third party investors or funds.

Net investment returns

Net investment returns[1] of £49.4m (2019: £275.1m) represent the total return generated from the balance sheet portfolio in the year and represent 2.2% of the average balance sheet portfolio (2019: 12.6%). In the first eleven months of the financial year net investment returns were £201.8m, but have been reduced by net unrealised losses of £152.4m recognised in March 2020 as a result of the year end portfolio valuations which have been negatively impacted by the market dislocation due to the Covid-19 pandemic. However, recognised unrealised losses do not result in cash outflows. The Group’s long-term business model, involving management of predominantly closed-end funds, means that teams are not forced to exit investments to meet liquidity needs. They have the benefit of time and can wait for valuations to potentially recover. ICG’s funds are structured to perform through economic cycles.

Net investment returns by asset class were as follows:

	As at 31 March 2020 £m	As at 31 March 2019 £m	Change %
Corporate Investments	**105.9**	201.1	(47%)
Capital Market Investments	**(87.2)**	38.1	(329%)
Real Asset Investments	**9.0**	8.4	7%
Secondary Investments	**21.7**	27.6	(21%)
Total net investment returns	**49.4**	275.1	(82%)

The fair value of the Group's Corporate Investments is determined in line with industry guidelines and uses both earnings multiple and discounted cash flow valuation techniques. The reduction in net investment return is due to the unrealised losses arising from the year-end valuations which reflected weaker market conditions arising from the expected economic impact of the Covid-19 pandemic.

Within Capital Market Investments is the Group's regulatory investment in the CLOs it manages. The fair value of the CLO equity assets is assessed using discounted cash flow models, a key assumption of which is the expected default rate. In light of recent developments, the expected default rate was increased to 8% from 3% per annum. The CLO debt assets are valued based on observable market prices which during March 2020 experienced considerable decline due to Covid-19. This has resulted in a reduction in the carrying value of the Group's investments in CLO's and liquid funds.

We take a robust approach to valuations, but given the uncertainty arising from the Covid-19 crisis it is not possible to determine the extent of any further unrealised or realised losses that may arise in the future if conditions deteriorate further. Conversely, if conditions improve, we may experience recoveries.

Interest expense

Interest expense[1] of £57.8m was £3.9m higher than the prior year (2019: £53.9m), following the issuance of a €500m bond in February 2020 and of private placement debt in the current and prior year.

Operating expenses

Operating expenses[1] of the IC amounted to £68.1m (2019: £83.4m), of which incentive scheme costs of £47.5m (2019: £66.4m) were the largest component. The £18.9m decrease is due to a reduction in the value of our deal vintage bonus scheme and a lower cash bonus. Other staff and administrative costs were £20.6m compared to £17.0m last year, a £3.6m increase.

Group cash flow and debt

The balance sheet remains well-capitalised, with £1.2bn of available cash and debt facilities at 31 March 2020, excluding the consolidated funds and CLOs. During the year, the Group issued new US private placement debt and a €500m bond, to refinance upcoming debt maturities and extend the overall debt maturity profile. The bond has a coupon of 1.625% and a maturity of seven years. The movement in the Group's unutilised cash and debt facilities during the year is detailed as follows:

	£m
Unutilised cash and debt facilities at 31 March 2019	572.7
Private placement notes issued	139.7
Bond issued	444.1
Movement in cash	753.9
Movement in drawn debt	(730.9)
FX	37.0
Unutilised cash and debt facilities at 31 March 2020	**1,216.5**

Total drawn debt at 31 March 2020 was £1,915m compared to £1,184m at 31 March 2019, with unencumbered cash of £917m compared to £163m at 31 March 2019. The increase in unencumbered cash is due to the €500m bond issuance, and the drawdown of £250m on the Group's bank facilities in early March as a precautionary measure.

Capital position

Shareholders' funds reduced by £74.2m to £1,309.2m (31 March 2019: £1,383.4m), as the retained profits in the period were offset by the payment of the ordinary dividend and purchase of own shares. Total net debt[1] to shareholders' funds (net gearing[1]) as at 31 March 2020 increased to 0.76x from 0.74x at 31 March 2019. Gross gearing[1] of 1.46x (2019: 0.86x) is a less meaningful measure in the current year given the level of unencumbered cash on the balance sheet.

Principal risks and uncertainties

MANAGING RISK

Effective risk management is key to our success and is recognised as an essential part of delivering the Group's corporate strategy.

Our approach

The Board is accountable for the overall stewardship of the risk management framework, internal control assurance, and for determining the nature and extent of the risks it is willing to take in achieving the Group's strategic objectives. In doing so, the Board sets a preference for risk within an effective control environment, to generate a return for clients and investors and protect their interests.

The risk appetite is reviewed by the Risk Committee, on behalf of the Board, and covers the principal risks that the Group expects to encounter in delivering its strategic objectives. The Committee is provided with management information on a quarterly basis and monitors performance against set thresholds and limits to ensure that the Group's strategic objectives can be achieved, within the boundaries of the risk appetite.

The Board also seeks to promote a strong risk management culture by encouraging acceptable behaviours, decisions and attitudes toward taking and managing risk throughout the Group.

Managing risk

Risk management is embedded across the Group through the risk management framework, which ensures that current and emerging risks are identified, assessed, monitored, controlled and appropriately governed based on a common risk taxonomy and methodology. The risk management framework is designed to protect the interests of all stakeholders and meet our responsibilities as a UK listed company and parent of a number of regulated entities.

The Board reviews the risk management framework regularly and it forms the basis on which the Board reaches its conclusions on the effectiveness of the Group's system of internal controls.

Lines of defence

We operate a risk framework consistent with the principles of the 'three lines of defence' model. This ensures clarity over responsibility for risk management and segregation of duties between those who take on risk, those who oversee risk and those who provide assurance.

- The first line of defence is the business functions and their respective line managers, who own and manage risk and controls across the processes they operate
- The second line of defence is made up of the control and oversight functions, Legal, Risk and Compliance, who provide assurance that risk management policies and procedures are operating effectively
- Internal Audit is the third line of defence and provides independent assurance over the design and operation of controls established by the first and second lines to manage risk

Assessing risk

We have adopted a bottom-up and top-down approach to risk assessment:

- The Risk Committee undertakes a top-down review of the external environment and the strategic planning process to identify the most consequential and significant risks to the Group's activities. These are referred to as the principal risks
- The business undertakes a bottom-up review which involves a comprehensive risk assessment process designed to facilitate the identification and assessment of key risks and controls related to each business function's most important objectives and processes. This is assessed through the emerging risk and control self- assessment process (RCSA) and the Risk Taxonomy

The Risk Taxonomy which is a top-down comprehensive set of risk categories designed to encourage those involved in risk identification to consider all types of risks that could affect the Group's strategic objectives.

Key developments

In August, a new Head of Risk was appointed, presenting the Group with an opportunity to further develop the risk management framework, ensuring it keeps pace with industry standards and reflects the risk profile of the Group.

During the year, progress has been made to further deliver and embed the risk management development plan (RMDP) that commenced the previous year, focusing on the implementation of the RCSA program. The Head of Risk has expanded the RMDP into a three-year program to further strengthen risk management and embed the framework in the activities of the business.

During the financial year, other key initiatives included:

- Testing our business continuity and recovery plans, which have been invoked in response to Covid-19
- Mitigating the impact of Brexit on the business by strengthening EU operations and obtaining the required permissions to enable continuity of marketing services
- Enhancing our product approval process to continue to ensure risks are identified and mitigated and that new products are operationally feasible
- Undertaking a review of our supplier management framework to improve the management of our third-party administrators
- Refining our risk appetite by enhancing our risk appetite statements and metrics
- Implementing the Senior Management and Certification Regime (SMCR), including training and support for senior managers and certified staff

Principal risks and uncertainties

The Group considers its principal risks across three categories:

1. Strategic and external risks

The risk of failing to deliver on our strategic objectives, resulting in a negative impact on investment performance and Group profitability.

2. Financial risks

The risk of an adverse impact on the Group due to market fluctuations, counterparty failure or having insufficient resources to meet financial obligations.

3. Operational risks

The risk of loss resulting from inadequate or failed internal processes, people or systems and external events.

Reputational risk is not in itself one of the principal risks, however, it is an important consideration and is actively managed and mitigated as part of the wider risk management framework.

The Group continuously monitors internal and external environments to identify new and emerging risks. Following the year end, there have been significant developments in relation to the Covid-19 outbreak. These developments are unprecedented and likely to have a material impact on a number of our principal risks, most notably on external environment risk, sustained investment underperformance risk including valuation risk, and adverse market fluctuation risk.

Covid-19

The global impact of the Covid-19 outbreak continues to rapidly evolve and has caused severe disruption, thereby adversely impacting many global economies across many industries. The full scale of the impact is not yet known, and unpredictable and uncontrollable outcomes may still have the potential to materially impact a number of our principal risks. It remains uncertain as to how quickly economic activity will resume and accordingly it is impossible to gauge the longer-term impact of the crisis to our business, or industry performance more generally. Much will depend on the duration of the lockdown and the shape of the subsequent economic recovery. The Board, Risk

Management Committee and Executive Directors continue to closely monitor the impacts on our business as a result of the crisis, which are considered within the relevant principal risks on the following pages.

The magnitude of the Covid-19 crisis is unprecedented and has provided valuable insights to the Group's risk management framework and our business continuity arrangements. We intend to apply this experience into developing our risk framework to incorporate more severe scenario planning, with revised assumptions and sensitivities. Our risk reporting will also be enhanced to provide a more dynamic profile of emerging risks and the potential impact to our principal risks.

The Directors confirm that they have undertaken a robust assessment of principal risks in line with the requirements of the UK Corporate Governance Code. The principal risks are described on the following pages:

External environment (including political risk)		
Risk description	**Key controls and mitigation**	**Trend and outlook**
Macroeconomic and political uncertainty creates risks for the Group's operations and broader risks to tax, credit, liquidity and foreign exchange. This may have direct financial consequences by negatively impacting balance sheet exposures, profitability and surplus capital. Additionally, it may also limit the Group's ability to raise new AUM, deploy capital, and effectively manage our portfolios, resulting in a reduction in revenue streams	A range of complementary approaches are used to inform strategic planning and risk mitigation. This includes active management of the Group's balance sheet, our portfolios, scenario planning and stress testing. The Board actively monitors and assesses macroeconomic conditions and geopolitical events impacting the Group's key markets, and acts as appropriate to ensure impacts to the balance sheet, funds and our clients are minimised. The Investment Committees also receives financial performance and specific market information for each investment, to determine valuations and impairments. The business model is predominantly based on long-term investment in closed-end funds, therefore fee streams are 'locked in', which provides some mitigation against market downturn. The Group mitigated the impact of Brexit on the business by strengthening EU operations and obtaining the required permissions to enable continuity of marketing services.	Due to the Covid-19 crisis, in the near term we expect to experience a slowdown in fundraising, capital deployment and realisation activity. The key controls, trends and outlook associated with these risks are described further under the relevant principal risk headings. The Group cannot fully eliminate the downside impacts of Covid-19, however the risks will continue to be monitored to ensure appropriate controls and mitigants are implemented
Sustained investment underperformance		
Risk description	**Key controls and mitigation**	**Trend and outlook**
Prolonged and/or significant investment and fund underperformance may decrease the demand for our products, which could negatively affect the Group's balance sheet exposures, our ability to retain and raise new AUM and funds as well as reducing revenues	The Group has in place a robust and disciplined investment process where investments are selected and regularly monitored by the Group's Investment Committees for fund performance, delivery of investment objectives, asset performance and to identify 'at risk' assets that are subject to a detailed review. Additional monitoring is in place for the Group's balance sheet exposures. Rigorous credit research is applied both before and during the period of investment. The Group limits the extent of credit and market risk by diversifying its portfolio assets by sector, size and geography. Robust oversight of major portfolio investments supports the delivery of capital preservation and anticipated returns.	The funds are in line with or ahead of their required hurdle rates or respective industry benchmarks. However, if the disruptions caused by Covid-19 continue, our funds' portfolio companies could suffer materially, which would decrease the value of our funds' investments and thereby adversely impact our funds' performance. Our Investment Company could experience material unrealised losses given we have investments in our funds. We have extensively engaged with the management of our portfolio companies to assess the risks faced and continue to provide support as necessary to implement relevant remediation measures. In our Capital Market Investments strategies, we are regularly monitoring the market developments and actively managing the portfolio. We have enhanced client reporting to include comprehensive commentary on the potential impact of Covid-19 on each business, together with a summary of actions being taken.

Failure to raise or retain third party funds		
Risk description	**Key controls and mitigation**	**Trend and outlook**
Failure to raise new funds would negatively impact the Group's long-term income and ability to launch new strategies. Additionally, failure to retain funds would reduce the Group's management fee income.	The Group has dedicated fundraising and scalable business support teams to grow and diversify the institutional client base by geography and type. The product portfolio has been expanded to address a range of client requirements. Client sentiment in open-ended funds is monitored through regular engagement.	In this financial year, the Group significantly exceeded its fundraising target. However, due to the impacts of Covid-19 we are anticipating a slowdown of fundraising for new or successor strategies which may result in delayed growth in management fees. The Group's track record and reputation remains strong and we are focusing our fundraising efforts on strategies that are expected to be attractive in the current environment, such as direct lending. We are also considering launching opportunistic strategies while continuing to market new strategies launched in the prior year, such as the Sale & Leaseback and the Infrastructure fund.

Untimely deployment of committed capital		
Risk description	**Key controls and mitigation**	**Trend and outlook**
Failure to deploy committed capital in a timely manner would reduce the value of the Group's future management fees, investment income and performance fees. Additionally, there is a potential negative impact on investment performance and the ability to raise new funds.	The rate of investment is kept under review by the Investment Committees and senior management to ensure acceptable levels are maintained in current market conditions. The Group monitors the investment pace of the direct investment funds against targets.	Due to Covid-19, the Group may experience a decline in the pace of our investments and, if our funds are unable to deploy capital at a pace that is sufficient to offset the pace of our realisations, our management fee revenues could decrease. The Group will continue to maintain investment discipline and remain alert to new opportunities. Our deep local origination capabilities remain a competitive advantage in sourcing investment opportunities. The Group will closely monitor external market developments and opportunities.

Adverse market fluctuations		
Risk description	**Key controls and mitigation**	**Trend and outlook**
The risk of loss arising from fluctuations in market variables including, but not limited to, foreign exchange rates, interest rates, credit spreads and the performance of the underlying portfolio. This could lead to changes in the values of assets and liabilities on the Group's balance sheet and the investments we manage as part of our AUM which could materially reduce revenue, earnings and cash flow. Heightened market volatility can also have a negative short-term impact on the Group's stock market performance.	The extent of credit and market risk is limited by diversifying the Group's portfolio assets by sector, size and geography. The Group hedges non sterling income, expenditure, assets and liabilities to minimise short-term volatility in the financial results of the Group. Currency and interest rate exposures are reported monthly and reviewed by the Group's Treasury Committee. Portfolio valuations are reviewed quarterly by the Group Valuation Committee.	Political and economic uncertainties, notably the impact of Covid-19, continue to increase the volatility of foreign exchange and interest rates. The Group will continue to monitor and appropriately mitigate the impact on the availability and cost of capital and will implement appropriate measure to mitigate the impact of these fluctuations. The Group's implementation of a new treasury system, aimed at delivering automation of key controls and integration with other systems, is on track. The impact to the Group's investment portfolio arising from Covid-19 is discussed under principal risk: 'Sustained Investment Under Performance'.

Failed counterparty		
Risk description	**Key controls and mitigation**	**Trend and outlook**
The Group uses derivatives to hedge market risk on its balance sheet and by entering into these derivatives, is exposed to financial loss as a result of a failed counterparty.	The Group's counterparties are national or multinational banks. The treasury team identify, evaluate, sanction, limit and monitor various forms of credit exposure, individually and in aggregate. Counterparty exposures are reviewed by the Group's Treasury Committee on a monthly basis. Counterparty exposures are also managed within limits agreed by the Board, which are reviewed annually.	The Group has managed counterparty credit risk consistently throughout the year, limiting Counterparty exposure. The Group's implementation of a new treasury system, aimed at delivering automation of key controls and interaction with other systems, remains on track.

Failure to meet financial obligations		
Risk description	**Key controls and mitigation**	**Trend and outlook**
An ongoing failure to refinance our liabilities could result in the Group failing to meet its payment obligations as they fall due.	The Group obtains debt funding from diversified sources and the repayment profile is managed to minimise material repayment events. The profile of the debt facilities available to the Group is reviewed frequently by the Treasury Committee. Contingency funding is in place to address liquidity requirements in stress scenarios. Long-term forecasts and stress tests are prepared to assess the Group's future liquidity as well as compliance with the regulatory capital requirements.	The Group remains well funded with a high level of current and forecast liquidity present, ahead of dividend and debt repayments later in the year. During the financial year, the Group issued new US private placement debt and a €500m bond to refinance upcoming debt maturities and extend the overall debt maturity profile.

Unplanned departure of key persons		
Risk description	**Key controls and mitigation**	**Trend and outlook**
A breach of any 'Key Person' clause could result in the Group having to stop making investments for the relevant fund or impair the ability of the Group to raise new funds if not resolved in a timely manner. Additionally, the unplanned departure of a key employee and the inability to recruit into key roles could have a negative impact on the Group's ability to deliver its strategy.	The Group rewards its investment professionals and other key employees in line with market practice, which is periodically benchmarked to remain competitive. Senior investment professionals also typically receive long-term incentives. Senior management reinforce a commercial and entrepreneurial culture to attract and retain talent, which is supported by feedback from the employee engagement survey. The Group has succession plans in place for key employees, and an appraisal and development programme to ensure that individuals remain sufficiently motivated and appropriately competent. Employee engagement is critical, and the Group undertook an employment engagement survey at the end of 2019 to proactively manage employee satisfaction levels. The outputs will be addressed throughout 2020.	The Covid-19 pandemic represents a significant threat to our employees' wellbeing and morale. Our key employees may become unwell or otherwise be unable to perform their duties for an extended period. ICG's Family & Carers Network and our Wellbeing Hub continues to provide links to useful support articles and videos to help staff adjust to this new way of working. During the year, the Group has successfully managed succession following the expected departure of the CFOO and Chairman. Careful consideration continues to be made to recruitment and integration capacity as Group growth continues. Introduction of a new HR system 'Workday' will enhance the Group's recruitment and onboarding processes and reporting.

Regulatory or legislative failing		
Risk description	**Key controls and mitigation**	**Trend and outlook**
A material regulatory or legislative failing could result in regulatory censure, penalties or other claims negatively impacting the Group's reputation and impairing our ability to retain and raise new AUM. Additionally, adverse regulatory change could impact the ability of the Group to deliver its strategy in areas such as people, deploying capital and raising AUM.	The Group has a governance structure in place that allows for the identification, assessment and control of material regulatory and legislative risks resulting from the geographical and product diversity of the Group. The Group has a tailored compliance monitoring program that specifically oversees regulatory and legislative risks. Horizon scanning for relevant regulatory and legislative change is a key part of the legal and compliance process and external advisers are commissioned to support this.	During the year, the Group successfully managed the implementation of Senior Management and Certification Regime (SMCR) and met its regulatory obligations in advance of the deadline. Compliance will continue to review the Group's arrangements, to ensure SMCR adherence evolves in line with peers and FCA expectations. The Group successfully mitigated the impacts of Brexit on the business by strengthening EU operations and obtaining the required permissions to enable continuity of marketing services. The Group continues to invest in relevant system capabilities to enhance compliance and legal processes and internal reporting. The Group's plan to transition away from LIBOR and equivalents is also on track.

Technology resilience and innovation		
Risk description	**Key controls and mitigation**	**Trend and outlook**
The failure of the Group to deliver an appropriate information security platform could result in unauthorised access by malicious third parties, breaching the confidentiality, integrity and availability of our data and systems, negatively impacting the Group's reputation and our ability to maintain continuity of operations and retain and raise new AUM. Additionally, a lack of investment in workplace technology and systems could compromise the ability of the Group to adapt to changing business requirements and deliver our strategy in areas such as fund management and operations.	The Group's information security policies are supported by a governance structure and a risk framework that allows for the identification, control and mitigation of technology risks. The adequacy of the systems and controls the Group has in place to mitigate technology risks is continuously monitored and subject to regular testing, such as penetration testing, vulnerability scans and patch management. The Group also carries out quarterly phishing tests and delivers an annual user education programme. Incident management plans and preparedness exercises are complemented by an automated Business Continuity Planning tool.	The extended period of remote working by our employees due to the restrictions imposed by the Covid-19 may introduce heightened cyber security risk. Remote working environments may be less secure and more susceptible to hacking attacks, including phishing attempts. We increased employee awareness and vigilance of cyber security in response to the rise of malicious campaigns exploiting the crisis. The Group enhanced its business continuity planning and disaster recovery process via migration to a cloud datacentre, which has proved highly effective in the current Covid-19 environment as our employees carry out their roles and responsibilities from home. The Group's technology requirements will be kept under review to support the growth of the business.

Failure of key business process		
Risk description	**Key controls and mitigation**	**Trend and outlook**
Failure of key business processes, including product approval, valuation and client reporting could result in adverse client impact, significant reputational damage and a financial loss across all our principal risks and impair the Group's ability to raise and retain new AUM.	Risks arising from process execution are inherent in the Group's business and we seek to minimise the incidence and impact of these through our controls and management actions. The Group assesses its operational risk and control environment across its businesses and functions with a view to maintaining an acceptable level of residual risk. Management are actively engaged in maintaining an appropriate control environment. Our key business processes are regularly reviewed, and the risks and controls are assessed through the risk and control self-assessment process. The effectiveness of the control framework for key business processes is subject to periodic review by management, the Head of Risk and by Internal Audit, with corresponding oversight by the Risk and Audit Committees.	Despite the transition to remote working in response to Covid-19, there were no significant business process failures or material control weaknesses identified during the year. A target operating model assessment was undertaken to develop a future operating model fit for the growth ambitions of the Group. Resulting recommendations currently being implemented are expected to drive process efficiencies and improve the control environment, which will assist the Group in the effective management of risk across our key processes. The Group continues to enhance its risk management framework, to ensure it keeps pace with industry standards and reflects the risk profile of the Group. The risk is heightened to acknowledge these ongoing developments and the impact this may have on the current operating model, now and in the future.

Failure of key supplier		
Risk description	**Key controls and mitigation**	**Trend and outlook**
The risk that the Group's key third-party suppliers fail to deliver services in accordance with their contractual obligations, which would compromise our operations and impair our ability to respond in a way which meets client and stakeholder expectations and requirements. Failure to adequately select or manage key third-party suppliers, could result in the Group's inability to raise new funds and operate its fund management business.	The supplier oversight framework consists of policies, procedures and tools to govern the due diligence, appointment, monitoring and oversight of key suppliers. The stress and scenario testing programme includes consideration of supplier risk.	In response to the Covid-19 crisis, we have engaged with all key fund administrators and suppliers for an assessment of their business continuity preparedness and the service levels continue to be monitored closely. Additionally, the risk function completed a review of the current supplier management framework, resulting in several recommendations for improvement which are being incorporated into the wider target operating model initiatives. The risk remains heightened but stable to reflect these enhancements, and the potential impacts of Covid-19 on the effectiveness of our suppliers' business continuity programs and broader business resilience.

Financial misstatement		
Risk description	**Key controls and mitigation**	**Trend and outlook**
Failure to ensure financial statements are materially accurate, timely and in line with legislative requirements, could result in financial and reputational damage, and regulatory censure and penalties or other claims.	The Group's financial reporting is aligned to external reporting standards and industry best practice. Control procedures are in place to ensure that financial reporting processes are identified, documented and monitored. The effectiveness and efficiency of the control framework for financial reporting is subject to periodic review by management, the Head of Risk and by Internal Audit, with corresponding oversight by the Risk and Audit Committees. The Group Valuation Committee comprising the CEO, CFOO, Head of Finance, Head of Treasury and Head of Risk sits quarterly to review and challenge the valuation assumptions used in respect of the balance sheet portfolio.	The market dislocation arising from the Covid-19 crisis has resulted in increased risk to significant judgements and assumptions used in the valuation of the balance sheet portfolio. Ensuring appropriate governance around quarterly valuations remains a key focus for the Group. The Group has initiated a number of resource enhancements, including hiring a new Head of Finance with deep valuation expertise to provide dedicated leadership to the finance function. In addition, a number of financial reporting process enhancements will be undertaken to improve the control environment and process efficiency.

Responsibility statement

The responsibility statement below has been prepared in connection with the Company's full annual report for the year ending 31 March 2020. Certain parts thereof are not included within this announcement.

We confirm to the best of our knowledge:

- the financial statements, prepared in accordance with IFRS as adopted by the European Union, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company and the undertakings included in the consolidation taken as a whole; and

- the management report, which is incorporated into the directors' report, includes a fair review of the development and performance of the business and the position of the Company and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties they face.

This responsibility statement was approved by the Board of Directors on 3 June 2020 and is signed on its behalf by:

Benoit Durteste CEO	Vijay Bharadia CFOO

Consolidated income statement

For the year ended 31 March 2020

	Year ended 31 March 2020 £m	Year ended 31 March 2019 £m
Fee and other operating income	**266.1**	212.6
Finance income	**30.1**	25.6
Net gains on investments	**117.4**	225.9
Total revenue	**413.6**	464.1
Finance costs	**(58.3)**	(53.9)
Administrative expenses	**(241.4)**	(227.9)
Share of results of joint ventures accounted for using equity method	**0.6**	0.6
Profit before tax	**114.5**	182.9
Tax (charge)/credit	**(3.9)**	1.6
Profit after tax	**110.6**	184.5
Attributable to		
Equity holders of the parent	**108.9**	180.1
Non controlling interests	**1.7**	4.4
	110.6	184.5
Earnings per share	**38.2p**	63.4p
Diluted earnings per share	**38.2p**	63.4p

The Group has adopted IFRS 16 ‘Leases’ from 1 April 2019. As permitted under the transition rules the prior year comparatives have not been restated. Further information can be found in note 1.

All activities represent continuing operations.

Consolidated statement of comprehensive income

For the year ended 31 March 2020

	Year ended 31 March 2020 £m	Year ended 31 March 2019 £m
Profit after tax	**110.6**	184.5
Items that will not be reclassified subsequently to profit or loss		
Exchange differences on translation of foreign operations	**2.7**	8.8
Tax on items taken directly to or transferred from equity	**(0.7)**	(1.5)
	2.0	7.3
Total comprehensive income for the year	**112.6**	191.8

Consolidated statement of financial position

As at 31 March 2020

	31 March 2020 £m	31 March 2019 £m
Non current assets		
Intangible assets	**26.7**	15.4
Property, plant and equipment	**13.4**	12.6
Investment property	**8.1**	-
Investment in joint venture accounted for under the equity method	**2.5**	1.8
Financial assets at fair value	**5,492.6**	5,647.1
Derivative financial assets	**12.8**	3.1
Deferred tax asset	**11.1**	12.8
	5,567.2	5,692.8
Current assets		
Trade and other receivables	**201.8**	227.1
Financial assets at fair value	**12.8**	77.3
Derivative financial assets	**126.5**	51.6
Current tax debtor	**22.8**	8.4
Cash and cash equivalents	**1,086.9**	354.0
	1,450.8	718.4
Disposal groups held for sale	**-**	107.1
Total assets	**7,018.0**	6,518.3
Equity and reserves		
Called up share capital	**77.2**	77.2
Share premium account	**179.9**	179.5
Other reserves	**(28.3)**	(3.5)
Retained earnings	**1,080.4**	1,130.2
Equity attributable to owners of the Company	**1,309.2**	1,383.4
Non controlling interest	**1.5**	10.9
Total equity	**1,310.7**	1,394.3
Non current liabilities		
Provisions	**0.1**	0.9
Financial liabilities at fair value	**3,329.3**	3,449.0
Financial liabilities at amortised cost	**1,664.1**	1,183.5
Other Financial liabilities	**5.5**	-
Derivative financial liabilities	**41.4**	45.8
Deferred tax liabilities	**1.9**	0.2
	5,042.3	4,679.4
Current liabilities		
Provisions	**0.7**	0.4
Trade and other payables	**336.0**	350.5
Financial liabilities at amortised cost	**252.8**	-
Other financial liabilities	**3.2**	-
Current tax creditor	**6.6**	2.7
Derivative financial liabilities	**65.7**	14.1
	665.0	367.7
Liabilities directly associated with disposal groups held for sale	**-**	76.9
Total liabilities	**5,707.3**	5,124.0
Total equity and liabilities	**7,018.0**	6,518.3

Consolidated statement of cash flows

For the year ended 31 March 2020

	Year ended 31 March 2020 £m	Year ended 31 March 2019 £m
Operating activities		
Interest received	**277.2**	220.8
Fees received	**198.1**	184.7
Dividends received	**2.9**	3.3
Payments to suppliers and employees	**(151.0)**	(174.6)
Proceeds from sale of current financial assets and disposal groups	**183.4**	200.1
Purchase of current financial assets and disposal groups	**(101.7)**	(306.9)
Proceeds from sale of non current financial assets	**2,204.1**	2,475.3
Purchase of non current financial assets	**(2,386.2)**	(2,666.0)
Net cash (outflow)/inflow from derivative contracts	**(16.1)**	55.4
Cash generated from/(used in) operating activities before taxes paid	**210.7**	(7.9)
Taxes paid	**(12.6)**	(20.2)
Net cash generated from/(used in) operating activities after taxes paid	**198.1**	(28.1)
Investing activities		
Purchase of intangibles assets	**(6.1)**	-
Purchase of property, plant and equipment	**-**	(5.2)
Cashflow as a result of change in control of subsidiary	**(37.0)**	12.9
Net cash (used in)/generated from investing activities	**(43.1)**	7.7
Financing activities		
Dividends paid	**(142.8)**	(88.3)
Interest paid	**(188.0)**	(181.4)
Interest paid on lease liabilities	**(0.5)**	-
Principal paid on lease liabilities	**(4.7)**	-
Increase in long-term borrowings	**1,154.6**	2,338.2
Repayment of long-term borrowings	**(226.8)**	(2,152.3)
Purchase of own shares	**(40.3)**	(49.3)
Net cash generated from/(used in) financing activities	**551.5**	(133.1)
Net increase/(decrease) in cash	**706.5**	(153.5)
Cash and cash equivalents at beginning of year	**354.0**	520.7
Effect of foreign exchange rate changes	**26.4**	(13.2)
Net cash and cash equivalents at end of year	**1,086.9**	354.0

The Group’s cash and cash equivalents includes £172.2m (31 March 2019: £191.3m) of restricted cash held principally by structured entities controlled by the Group.

Consolidated statement of changes in equity

For the year ended 31 March 2020

	Share capital £m	Share premium £m	Capital redemption reserve £m	Share based payments reserve £m	Own shares £m	Foreign currency translation reserve £m	Retained earnings £m	Total £m	Non controlling interest £m	Total equity £m
Balance at 1 April 2019	**77.2**	**179.5**	**5.0**	**64.3**	**(92.8)**	**20.0**	**1,130.2**	**1,383.4**	**10.9**	**1,394.3**
Adjustment on initial application of IFRS 16 (note 1)	**-**	**-**	**-**	**-**	**-**	**-**	**(1.8)**	**(1.8)**	**-**	**(1.8)**
Profit after tax	**-**	**-**	**-**	**-**	**-**	**-**	**108.9**	**108.9**	**1.7**	**110.6**
Exchange differences on translation of foreign operations	**-**	**-**	**-**	**-**	**-**	**2.7**	**-**	**2.7**	**-**	**2.7**
Tax on items taken directly to or transferred from equity	**-**	**-**	**-**	**(0.7)**	**-**	**-**	**-**	**(0.7)**	**-**	**(0.7)**
Total comprehensive (expense)/ income for the year	**-**	**-**	**-**	**(0.7)**	**-**	**2.7**	**108.9**	**110.9**	**1.7**	**112.6**
Movement in control of subsidiary	**-**	**-**	**-**	**-**	**-**	**-**	**4.2**	**4.2**	**(11.1)**	**(6.9)**
Own shares acquired in the year	**-**	**-**	**-**	**-**	**(70.3)**	**-**	**-**	**(70.3)**	**-**	**(70.3)**
Options/awards exercised	**-**	**0.4**	**-**	**(30.4)**	**48.7**	**-**	**(18.3)**	**0.4**	**-**	**0.4**
Credit for equity settled share schemes	**-**	**-**	**-**	**25.2**	**-**	**-**	**-**	**25.2**	**-**	**25.2**
Dividends paid	**-**	**-**	**-**	**-**	**-**	**-**	**(142.8)**	**(142.8)**	**-**	**(142.8)**
Balance at 31 March 2020	**77.2**	**179.9**	**5.0**	**58.4**	**(114.4)**	**22.7**	**1,080.4**	**1,309.2**	**1.5**	**1,310.7**

	Share capital £m	Share premium £m	Capital redemption reserve £m	Share based payments reserve £m	Available for sale reserve £m	Own shares £m	Foreign currency translation reserve £m	Retained earnings £m	Total £m	Non controlling interest £m	Total equity £m
Balance at 1 April 2018	77.2	179.4	5.0	61.9	5.7	(77.6)	11.2	1,054.8	1,317.6	0.5	1,318.1
Adjustment on initial application of IFRS 9 (note 1)	-	-	-	-	(5.5)	-	-	5.5	-	-	-
Adjustment on initial application of IFRS 15 (note 1)	-	-	-	-	-	-	-	(5.1)	(5.1)	-	(5.1)
Profit for the year	-	-	-	-	-	-	-	180.1	180.1	4.4	184.5
Exchange differences on translation of foreign operations	-	-	-	-	-	-	8.8	-	8.8	-	8.8
Tax on items taken directly to or transferred from equity	-	-	-	(1.3)	(0.2)	-	-	-	(1.5)	-	(1.5)
Total comprehensive (expense)/ income for the year	-	-	-	(1.3)	(0.2)	-	8.8	180.1	187.4	4.4	191.8
Movement in control of subsidiary	-	-	-	-	-	-	-	(6.0)	(6.0)	6.0	-
Own shares acquired in the year	-	-	-	-	-	(49.3)	-	-	(49.3)	-	(49.3)
Options/awards exercised	-	0.1	-	(23.3)	-	34.1	-	(10.8)	0.1	-	0.1
Credit for equity settled share schemes	-	-	-	27.0	-	-	-	-	27.0	-	27.0
Dividends paid	-	-	-	-	-	-	-	(88.3)	(88.3)	-	(88.3)
Balance at 31 March 2019	77.2	179.5	5.0	64.3	-	(92.8)	20.0	1,130.2	1,383.4	10.9	1,394.3

Notes to the financial statements

For the year ended 31 March 2020

1. Basis of preparation

The financial information set out in the announcement does not constitute the Company's statutory accounts for the years ended 31 March 2020 or 2019. The financial information for the years ended 31 March 2020 and 2019 is derived from the statutory accounts for those years. The statutory accounts for 2019 have been delivered to the Registrar of Companies. The auditors reported on those accounts; their report was unqualified, did not draw attention to any matters by way of emphasis without qualifying their report and did not contain a statement under s498(2) or (3) Companies Act 2006. The audit of the statutory accounts for the year ended 31 March 2020 is not yet complete. These statutory accounts will be finalised on the basis of the financial information presented by the Directors in this preliminary announcement and will be delivered to the Registrar of Companies following the Company's Annual General Meeting.

While the financial information included in this announcement has been prepared in accordance with the recognition and measurement criteria of International Financial Reporting Standards (IFRSs) as adopted by the European Union, this announcement does not itself contain sufficient information to comply with IFRSs. The Company expects to publish full financial statements that comply with IFRSs in June 2020.

Changes in significant accounting policies

During the year the Group has adopted IFRS 16 ‘Leases’ with effect from 1 April 2019. As permitted under the transition rules, comparative figures for the year ended 31 March 2019 have not been restated. The impact of adopting these new accounting standards on the Group’s significant accounting policies are summarised below.

IFRS 16 ‘Leases’

IFRS 16 introduces changes to lease accounting by removing the distinction between operating and finance leases. This requires the Group to recognise a ‘right-of-use’ (ROU) asset and a lease liability at the commencement of all leases, except for short-term leases, those leases that are contractually less than 12 months, and leases of low value.

Under the new standard, the present value of total rentals payable over the life of the lease is recognised as a liability. The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease; if this rate cannot be readily determined, the Group uses its incremental borrowing rate. On transition to IFRS 16 the weighted average incremental borrowing rate applied to lease liabilities recognised under IFRS 16 was 4.5%. The lease liability is offset by an asset comprising the initial measurement of the corresponding lease liability, and any other initial direct costs, lease incentives and any costs to dismantle or return the asset to its original form. The ROU asset is subsequently measured at cost less accumulated depreciation and impairment losses.

The standard therefore increases debt liabilities on the balance sheet and the income statement expense is represented as depreciation and finance cost, rather than rent.

On transition, those leases previously accounted for as operating leases with a remaining lease term of less than 12 months and for leases of low-value, as described below, the Group has elected not to recognise a right-of-use asset. The Group has accounted for the lease expense on a straight line basis over the remaining lease term.

The Group has assessed low value assets to be those with a value of less than £10,000 (or local currency equivalent). As a result, the Group’s material leases impacted by the adoption of this accounting standard are its rented office spaces.

The Group has elected not to include initial direct costs in the measurement of the right-of-use asset for operating leases in existence at the date of initial application of IFRS 16. The Group has also elected to measure the right-of-use assets at an amount equal to the lease liability adjusted for any prepaid or accrued lease payments that existed at the date of transition. There were no critical judgements or estimates applied in adopting the standard.

The new Standard has been applied using the modified retrospective approach, with the cumulative effect of adopting IFRS 16 being recognised in equity as an adjustment to the opening balance of retained earnings for the current period. Prior periods have not been restated. The impact on the consolidated statement of financial position is as follows:

	31 March 2020 £m	1 April 2019 £m
Non current assets		
Property, plant and equipment	**12.5**	8.5
Non current liabilities		
Other financial liabilities	**5.5**	7.3
Current liabilities		
Other financial liabilities	**3.2**	3.0
Equity and reserves		
Retained earnings	**-**	1.8

The following is a reconciliation of total operating lease commitments as disclosed in the financial statement for the year ended 31 March 2019, to the lease liabilities recognised at 1 April 2019:

	£m
Operating lease commitments as of 31 March 2019	**13.8**
Recognition exemption for leases with contractual terms less than 12 months as of 1 April 2019	**(0.3)**
Rent payments for joint venture accounted for by equity method	**(0.5)**
Effect of discounting at the incremental borrowing rate	**(2.7)**
Lease liabilities as of 1 April 2019	**10.3**

2. Business segments

For management purposes, the Group is currently organised into the Fund Management Company (FMC) and the Investment Company (IC). Segment information about these businesses is presented below and is reviewed by the Executive Directors.

The Group reports the profit of the FMC separately from the profits generated by the IC. The FMC is defined as the operating unit and as such incurs the majority of the Group's costs, including the cost of the investment network, i.e. the Investment Executives and the local offices, as well as the cost of most support functions, primarily information technology, human resources and marketing.

The IC is charged a management fee of 1% of the carrying value of the average investment portfolio by the FMC and this is shown below as fee income. The costs of finance, treasury and portfolio administration teams, and the costs 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.

Notes to the financial statements continued

For the year ended 31 March 2020

Analysis of income and profit before tax by operating segment

	Year ended 31 March 2020			Year ended 31 March 2019		
	FMC £m	**IC £m**	**Operating segments Total £m**	FMC £m	IC £m	Operating segments Total £m
External fee income	**277.8**	**-**	**277.8**	219.8	-	219.8
Inter-segmental fee	**22.4**	**(22.4)**	**-**	20.5	(20.5)	-
Fund management fee income	**300.2**	**(22.4)**	**277.8**	240.3	(20.5)	219.8
Net investment returns	**-**	**49.4**	**49.4**	-	275.1	275.1
Dividend income	**41.2**	**-**	**41.2**	34.4	-	34.4
Total Revenue	**341.4**	**27.0**	**368.4**	274.7	254.6	529.3
Interest expense	**-**	**(57.8)**	**(57.8)**	-	(53.9)	(53.9)
Net fair value gain on derivatives	**-**	**26.6**	**26.6**	-	17.2	17.2
Staff costs	**(55.7)**	**(8.9)**	**(64.6)**	(47.3)	(7.8)	(55.1)
Incentive scheme costs	**(56.8)**	**(47.5)**	**(104.3)**	(44.5)	(66.4)	(110.9)
Other administrative expenses	**(45.8)**	**(11.7)**	**(57.5)**	(39.1)	(9.2)	(48.3)
Profit before tax	**183.1**	**(72.3)**	**110.8**	143.8	134.5	278.3

Reconciliation of financial statements reported to the Executive Directors to the position reported under IFRS

Included in the table below are adjustments made from operating segments, which are equivalent to alternative performance measurers 'APM' to IFRS:

- All income generated from Investment Company investments is presented as net investment returns for operating segments purposes whereas under IFRS it is presented within gains on investments and other operating income.
- The structured entities controlled by the Group are presented as fair value investments for operating segments purposes, whereas the statutory financial statements present these entities on a fully consolidated basis.

Notes to the financial statements continued

For the year ended 31 March 2020

Consolidated Income Statement

Year ended 31 March 2020	Operating segments £m	Consolidated structured entities £m	Financial statements £m
- Fund management fee income	277.8	(21.6)	256.2
- Other operating income	-	9.9	9.9
Fee and other operating income	**277.8**	**(11.7)**	**266.1**
- Interest income	-	0.5	0.5
- Dividend income	41.2	(41.2)	-
- Net fair value gain on derivatives	-	29.6	29.6
Finance income	**41.2**	**(11.1)**	**30.1**
Net investment returns/Gains on investments	**49.4**	**68.0**	**117.4**
Total revenue	**368.4**	**45.2**	**413.6**
- Interest expense	(57.8)	(0.5)	(58.3)
- Net fair value gain/(loss) on derivatives	26.6	(26.6)	-
Finance costs	**(31.2)**	**(27.1)**	**(58.3)**
- Staff costs	(64.6)	0.4	(64.2)
- Incentive scheme costs	(104.3)	-	(104.3)
- Other administrative expenses	(57.5)	(15.4)	(72.9)
Administrative expenses	**(226.4)**	**(15.0)**	**(241.4)**
Share of results of joint venture accounted for using equity method	**-**	0.6	**0.6**
Profit before tax	**110.8**	**3.7**	**114.5**
Tax charge	(1.6)	(2.3)	(3.9)
Profit after tax	**109.2**	**1.4**	**110.6**

Notes to the financial statements continued

For the year ended 31 March 2020

Consolidated Income Statement

Year ended 31 March 2019	Operating segments £m	Consolidated structured entities £m	Financial statements £m
- Fund management fee income	219.8	(20.7)	199.1
- Other operating income	-	13.5	13.5
Fee and other operating income	**219.8**	**(7.2)**	**212.6**
- Interest income	-	0.1	0.1
- Dividend income	34.4	(34.4)	-
- Net fair value gain on derivatives	-	25.5	25.5
Finance and dividend income	**34.4**	**(8.8)**	**25.6**
Net investment returns/Gains on investments	**275.1**	**(49.2)**	**225.9**
Total revenue	**529.3**	**(65.2)**	**464.1**
- Interest expense	(53.9)	-	(53.9)
- Net fair value gain/(loss) on derivatives	17.2	(17.2)	-
Finance costs	**(36.7)**	**(17.2)**	**(53.9)**
- Staff costs	(55.1)	0.6	(54.5)
- Incentive scheme costs	(110.9)	-	(110.9)
- Other administrative expenses	(48.3)	(14.2)	(62.5)
Administrative expenses	**(214.3)**	**(13.6)**	**(227.9)**
Share of results of joint venture accounted for using equity method	**-**	0.6	**0.6**
Profit before tax	**278.3**	**(95.4)**	**182.9**
Tax (charge)/credit	(9.0)	10.6	1.6
Profit after tax	**269.3**	**(84.8)**	**184.5**

Notes to the financial statements continued

For the year ended 31 March 2020

Consolidated Statement of Financial Position

31 March 2020	**Operating segments £m**	**Consolidated structured entities £m**	**Financial statements £m**
Non current financial assets	2,196.8	3,298.3	5,495.1
Other non current assets	60.0	12.1	72.1
Cash	947.9	139.0	1,086.9
Current financial assets	12.8	-	12.8
Other current assets	240.0	111.1	351.1
Total assets	**3,457.5**	**3,560.5**	**7,018.0**
Non current financial liabilities	1,669.6	3,329.3	4,998.9
Other non current liabilities	43.0	0.4	43.4
Current financial liabilities	256.0	-	256.0
Other current liabilities	182.4	226.6	409.0
Total liabilities	**2,151.0**	**3,556.3**	**5,707.3**
Equity	1,306.5	4.2	1,310.7
Total equity and liabilities	**3,457.5**	**3,560.5**	**7,018.0**

31 March 2019	Operating segments £m	Consolidated structured entities £m	Financial statements £m
Non current financial assets	2,255.7	3,393.2	5,648.9
Other non current assets	36.1	7.8	43.9
Cash	163.2	190.8	354.0
Current financial assets	110.7	(33.4)	77.3
Other current assets	215.7	71.4	287.1
Disposal groups held for sale	-	107.1	107.1
Total assets	**2,781.4**	**3,736.9**	**6,518.3**
Non current financial liabilities	1,183.5	3,449.0	4,632.5
Other non current liabilities	46.7	0.2	46.9
Other current liabilities	161.5	206.2	367.7
Liabilities directly associated with disposal groups held for sale	-	76.9	76.9
Total liabilities	**1,391.7**	**3,732.3**	**5,124.0**
Equity	1,389.7	4.6	1,394.3
Total equity and liabilities	**2,781.4**	**3,736.9**	**6,518.3**

Notes to the financial statements continued

For the year ended 31 March 2020

Consolidated Statement of Cash Flows

31 March 2020	Operating segments £m	Consolidated structured entities £m	Financial statements £m
Interest received	25.8	251.4	277.2
Fees received	209.2	(11.1)	198.1
Dividends received	41.1	(38.2)	2.9
Payments to suppliers and employees	(137.0)	(14.0)	(151.0)
Proceeds from sale of current financial assets and disposal groups	183.4	-	183.4
Purchase of current financial assets and disposal groups	(101.7)	-	(101.7)
Proceeds from sale of non current financial assets	487.0	1,717.1	2,204.1
Purchase of non current financial assets	(329.4)	(2,056.8)	(2,386.2)
Net cash inflow from derivative contracts	(19.6)	3.5	(16.1)
Cash generated from/(used in) operating activities	**358.8**	**(148.1)**	**210.7**
Taxes received	(12.6)	-	(12.6)
Net cash generated from/(used in) operating activities	**346.2**	**(148.1)**	**198.1**
Net cash used in investing activities	**(6.1)**	**(37.0)**	**(43.1)**
Dividends paid	(142.8)	-	(142.8)
Interest paid	(50.4)	(137.6)	(188.0)
Interest paid on lease liabilities	(0.5)	-	(0.5)
Principal paid on lease liabilities	(4.7)	-	(4.7)
Increase in long term borrowings	798.2	356.4	1,154.6
Repayment of long term borrowings	(140.0)	(86.8)	(226.8)
Purchase of own shares	(40.3)	-	(40.3)
Net cash used in financing activities	**419.5**	**132.0**	**551.5**
Net increase/(decrease) in cash	**759.6**	**(53.1)**	**706.5**
Cash and cash equivalents at beginning of year	163.2	190.8	354.0
Effect of foreign exchange rate changes	25.1	1.3	26.4
Cash and cash equivalents at end of year	**947.9**	**139.0**	**1,086.9**

31 March 2019	Operating segments £m	Consolidated structured entities £m	Financial statements £m
Interest received	21.5	199.3	220.8
Fees received	185.0	(0.3)	184.7
Dividends received	35.6	(32.3)	3.3
Payments to suppliers and employees	(167.8)	(6.8)	(174.6)
Proceeds from sale of current financial assets and disposal groups	201.8	(1.7)	200.1
Purchase of current financial assets and disposal groups	(345.4)	38.5	(306.9)
Proceeds from sale of non current financial assets	643.9	1,831.4	2,475.3
Purchase of non current financial assets	(603.1)	(2,062.9)	(2,666.0)
Net cash inflow from derivative contracts	48.0	7.4	55.4
Cash generated from/(used in) operating activities	**19.5**	**(27.4)**	**(7.9)**
Taxes paid	(16.3)	(3.9)	(20.2)
Net cash generated from/(used in) operating activities	**3.2**	**(31.3)**	**(28.1)**
Net cash (used in)/generated from investing activities	**(5.3)**	**13.0**	**7.7**
Dividends paid	(88.3)	-	(88.3)
Interest paid	(51.3)	(130.1)	(181.4)
Increase in long term borrowings	308.3	2,029.9	2,338.2
Repayment of long term borrowings	(181.8)	(1,970.5)	(2,152.3)
Net purchase of own shares	(49.3)	-	(49.3)
Net cash used in financing activities	**(62.4)**	**(70.7)**	**(133.1)**
Net decrease in cash	**(64.5)**	**(89.0)**	**(153.5)**
Cash and cash equivalents at beginning of year	247.9	272.8	520.7
Effect of foreign exchange rate changes	(20.2)	7.0	(13.2)
Cash and cash equivalents at end of year	**163.2**	**190.8**	**354.0**

3. Dividends

The proposed final ordinary dividend for the year ended 31 March 2020 is 35.8 pence per share (2019: 35.0 pence per share), which will amount to £101.6m (2019: £100.0m). The total dividend in respect of the year ended 31 March 2020 was 50.8 pence per share (2019: 45.0 pence per share)

Of the £142.8m (2019: £88.3m) of ordinary dividends paid during the year, £0.7m were reinvested under the dividend reinvestment plan that was offered to shareholders (2019: £1.3m).

Notes to the financial statements continued

For the year ended 31 March 2020

4. Earnings per share

	Year ended 31 March 2020 £m	Year ended 31 March 2019 £m
Earnings for the purposes of basic and diluted earnings per share being net profit attributable to the equity holders of the parent	**108.9**	180.1
Number of shares		
Weighted average number of ordinary shares for the purposes of basic earnings per share	**284,813,542**	283,915,372
Effect of dilutive potential ordinary share options	**51,255**	25,528
Weighted average number of ordinary shares for the purposes of diluted earnings per share	**284,864,797**	283,940,900
Earnings per share	**38.2p**	63.4p
Diluted earnings per share	**38.2p**	63.4p

Reconciliation of total number of shares allotted, called up and in issue

	Total number of ordinary shares of 26¼ allotted, called up and fully paid	Number of shares in own share reserve
As at 1 April 2019	294,084,351	11,218,285
Purchased (ordinary shares of 26¼p)	-	4,778,936
Options/awards exercised	-	(5,097,737)
Shares issued	94,823	-
As at 31 March 2020	**294,179,174**	**10,899,484**

5. Tax

Analysis of tax on ordinary activities	Year ended 31 March 2020 £m	Year ended 31 March 2019 £m
Current tax		
Corporate tax	**4.1**	16.0
Prior year adjustment	**(2.9)**	5.4
	1.2	21.4
Deferred taxation		
Current year	**(0.2)**	(19.1)
Prior year adjustment	**2.9**	(3.9)
	2.7	(23.0)
Tax charge/(credit) on profit on ordinary activities	**3.9**	(1.6)

For the year ended 31 March 2020

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 ICG operates, and (ii) under guidelines set out by the Organisation for Economic Co-operation and Development (OECD). The effective tax rate results from the consolidation of taxes paid or credited on earnings attributable to the tax jurisdictions in which they arise. The vast majority of the Group's operating profits in the period arose in the UK.

The current effective tax rate reported by the Group of 3.4% (FY19: (0.9%) credit) is lower than the statutory UK corporation tax rate of 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.

Accounting for tax involves a level of estimation uncertainty given that the application of tax law requires a degree of judgment, which tax authorities may ultimately dispute. Tax liabilities are recognised based on the best estimates of probable outcomes, 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.

A reconciliation between the theoretical statutory tax rate applicable to the Group and the reported effective tax rate is provided below.

	Year ended 31 March 2020 £m	Year ended 31 March 2019 £m
Profit on ordinary activities before tax	**114.5**	182.9
Profit before tax multiplied by the rate of corporation tax in the UK of 19% (2019: 19%)	**21.8**	34.8
Effects of:		
Prior year adjustment to current tax	**(2.9)**	5.4
Prior year adjustment to deferred tax	**2.9**	(3.9)
	-	1.5
Non taxable and non deductible items	**(2.0)**	(0.1)
Current year risk provision charge	**-**	1.6
Impairment of tax debtor balance	**-**	3.3
Different tax rates of overseas subsidiaries	**(9.5)**	(32.5)
Changes in statutory tax rates	**-**	2.0
Other temporary differences	**(6.4)**	(12.2)
Current tax charge/(credit) for the year	**3.9**	(1.6)

For the year ended 31 March 2020

6. Post balance sheet events

Since the year end, the outbreak of Covid-19 has continued to cause major global uncertainty and continues to impact global financial markets. The Group has implemented its business continuity plan, and its critical teams and functions continue to work remotely to support the business.

The overall financial impact of Covid-19 is uncertain; however, the Group determined that its key sensitivity was in relation to fair value assessment of its financial assets. The principal source of uncertainty concerns estimates applied in determining such assessments. The Group has an established policy and robust process where valuations are challenged by the Group Valuation Committee both qualitatively and quantitively. All investments are subject to review at a minimum quarterly, and those which have been identified to have a significant reduction in fair value are subject to enhanced monitoring and review.

As a result of Covid-19, the Group placed enhanced focus on its valuation assessment and the effectiveness of methodologies applied. The Group has included additional sensitivities to its valuations and stress-testing for the potential impact of Covid-19-related market dislocation. Since 31 March 2020, the Group continued to monitor estimates and valuations that may have had a significant risk of causing a material adjustment to fair value assessments as of the balance sheet date. The Group has not identified any material changes requiring adjustment subsequent to year end.

As part of the Board's assessment of the going concern basis and viability of the Group, a range of stressed scenarios and sensitivity analyses were examined to identify conditions that might result in the Group's covenants being breached. This included the consideration of possible remedial action that the Group could undertake to avoid such breaches. The nature of the diversification and defensive characteristics of the Group's closed-end funds were also considered.

The results from the scenario analysis is that the Group is sensitive to the reduction in the fair value of its investments which are dependent on external factors; however, due to the long-term nature of the Group's funds, a reduction to the fair value of an investment does not result in an outflow of cash. Therefore, this does not impact the liquidity of the Group.

The Group has sufficient liquidity following the issuance of a €500m Eurobond, and private placement debt during the year. The Group is not in breach of any of its facility covenants and has sufficient headroom.

Based on the Board's review and drawing on its skills and experience it expects that, even in the identified extreme scenario, the Group would have the capacity to continue as a viable entity.

As of 15 May 2020, the Group has taken occupation of Procession House, 55 Ludgate Hill, New Bridge Street, London EC4M 7JW. This site is currently in the process of being fitted out and will be the new London Headquarters where the Group's London staff will be based later on in the year.

Glossary

Items denoted with a [1] throughout this document have been identified as non IFRS alternative performance measures. These are defined below:

<table>
<tr><th>Term</th><th>Short form</th><th>Definition</th></tr>
<tr><td>Adjusted earnings per share</td><td>Adjusted EPS</td><td>Adjusted profit after tax divided by the weighted average number of ordinary shares as detailed in note 4.</td></tr>
<tr><td>Adjusted Group profit before tax</td><td></td><td>Group profit before tax adjusted for the impact of the consolidated structured entities. As at 31 March, this is calculated as follows:
<table>
<tr><th></th><th>2020</th><th>2019</th></tr>
<tr><td>Profit before tax</td><td>£114.5m</td><td>£182.9m</td></tr>
<tr><td>Less consolidated structured entities</td><td>(£3.7m)</td><td>£95.4m</td></tr>
<tr><td>Adjusted group profit before tax</td><td>£110.8m</td><td>£278.3m</td></tr>
</table></td></tr>
<tr><td>Adjusted Investment Company profit before tax</td><td></td><td>Investment Company profit adjusted for the impact of the consolidated structured entities. As at 31 March, this is calculated as follows:
<table>
<tr><th></th><th>2020</th><th>2019</th></tr>
<tr><td>Investment Company profit before tax</td><td>(£68.6m)</td><td>£39.1m</td></tr>
<tr><td>Less consolidated structured entities</td><td>(£3.7m)</td><td>£95.4m</td></tr>
<tr><td>Adjusted Investment Company profit before tax</td><td>(£72.3m)</td><td>£134.5m</td></tr>
</table></td></tr>
<tr><td>Adjusted return on equity</td><td></td><td>Adjusted profit after tax (annualised when reporting a six month period's results) divided by average shareholders' funds for the period. As at 31 March, this is calculated as follows:
<table>
<tr><th></th><th>2020</th><th>2019</th></tr>
<tr><td>Adjusted profit after tax</td><td>£109.2m</td><td>£269.3m</td></tr>
<tr><td>Average shareholders' funds</td><td>£1,388.6m</td><td>£1,343.8m</td></tr>
<tr><td>Adjusted return on equity</td><td>7.9%</td><td>20.0%</td></tr>
</table></td></tr>
<tr><td>Assets under management</td><td>AUM</td><td>Value of all funds and assets managed by the FMC. During the investment period third party (external) AUM is measured on the basis of committed capital. Once outside the investment period third party AUM is measured on the basis of cost of investment. AUM is presented in Euros, with non-Euro denominated at the period end closing rate.</td></tr>
<tr><td>Balance sheet investment portfolio</td><td></td><td>The balance sheet investment portfolio represents non-current financial assets from the Statement of Financial Position, adjusted for the impact of the consolidated structured entities. See note 2 for a full reconciliation.</td></tr>
<tr><td>Cash profit</td><td>PICP</td><td>Cash profit is defined as profit before tax and incentive schemes, adjusted for non-cash items on an alternative performance measure basis.
<table>
<tr><th></th><th>2020</th><th>2019</th></tr>
<tr><td>Adjusted profit before tax</td><td>£110.8m</td><td>£278.3m</td></tr>
<tr><td>Add back incentive schemes</td><td>£104.3m</td><td>£110.9m</td></tr>
<tr><td>Other adjustments</td><td>£150.5m</td><td>(£52.6m)</td></tr>
<tr><td>Cash profit</td><td>£365.6m</td><td>£336.6m</td></tr>
</table></td></tr>
<tr><td>Dividend income</td><td></td><td>Dividend income represents distributions received from equity investments. Dividend income reported on an alternative performance measure basis excludes the impact of the consolidated structured entities. See note 2 for a full reconciliation.</td></tr>
</table>

<table>
<tr><td>Earnings per share</td><td></td><td>Profit after tax divided by the weighted average number of ordinary shares as detailed in note 4.</td></tr>
<tr><td>EBITDA</td><td></td><td>Earnings before interest, tax, depreciation and amortisation.</td></tr>
<tr><td>Gross gearing</td><td></td><td>Gross gearing is used by management as a measure of balance sheet efficiency. Gross borrowings, excluding the consolidated structured entities, divided by closing shareholders’ funds. Gross borrowings represent the cash amount repayable to debt providers. As at 31 March, this is calculated as follows:
<table>
<tr><th></th><th>2020</th><th>2019</th></tr>
<tr><td>Gross borrowings</td><td>£5,244m</td><td>£4,633m</td></tr>
<tr><td>Less consolidated structured entities</td><td>(£3,329m)</td><td>(£3,449m)</td></tr>
<tr><td>Adjusted gross borrowings</td><td>£1,915m</td><td>£1,184m</td></tr>
<tr><td>Shareholders’ funds</td><td>£1,309m</td><td>£1,383m</td></tr>
<tr><td>Gross gearing</td><td>1.46x</td><td>0.86x</td></tr>
</table></td></tr>
<tr><td>Interest expense</td><td></td><td>Interest expense excludes the cost of financing associated with the consolidated structured entities.</td></tr>
<tr><td>Liquidity</td><td></td><td>Liquidity represents the Group’s unencumbered cash and available undrawn debt facilities.</td></tr>
<tr><td>Net asset value per share</td><td></td><td>Total equity from the Statement of Financial Position divided by the closing number of ordinary shares. As at 31 March, this is calculated as follows:
<table>
<tr><th></th><th>2020</th><th>2019</th></tr>
<tr><td>Total equity</td><td>£1,311m</td><td>£1,394m</td></tr>
<tr><td>Closing number of ordinary shares</td><td>283,279,690</td><td>282,866,066</td></tr>
<tr><td>Net asset value per share</td><td>463p</td><td>493p</td></tr>
</table></td></tr>
<tr><td>Net current assets</td><td></td><td>The total of cash, plus current financial assets, plus other current assets, less current liabilities as reported on the alternative performance measure basis. This excludes the consolidated structured entities. As at 31 March, this is calculated as follows:
<table>
<tr><th></th><th>2020</th><th>2019</th></tr>
<tr><td>Cash</td><td>£947.9m</td><td>£163.2m</td></tr>
<tr><td>Current financial assets</td><td>£12.8m</td><td>£110.7m</td></tr>
<tr><td>Other current assets</td><td>£240.0m</td><td>£215.7m</td></tr>
<tr><td>Current financial liabilities</td><td>(£256.0m)</td><td>-</td></tr>
<tr><td>Other current liabilities</td><td>(£182.4m)</td><td>(£161.5m)</td></tr>
<tr><td>Adjusted net current assets</td><td>£762.3m</td><td>£328.1m</td></tr>
</table>
On an IFRS basis net current assets are as follows:
<table>
<tr><th></th><th>2020</th><th>2019</th></tr>
<tr><td>Cash</td><td>£1,086.9m</td><td>£354.0m</td></tr>
<tr><td>Current financial assets</td><td>£12.8m</td><td>£77.3m</td></tr>
<tr><td>Other current assets</td><td>£351.1m</td><td>£287.1m</td></tr>
<tr><td>Disposal groups held for sale</td><td>-</td><td>£107.1m</td></tr>
<tr><td>Current financial liabilities</td><td>(£256.0m)</td><td>-</td></tr>
<tr><td>Other current liabilities</td><td>(£409.0m)</td><td>(£367.7m)</td></tr>
<tr><td>Liabilities directly associated with disposal groups held for sale</td><td>-</td><td>(£76.9m)</td></tr>
<tr><td>Net current assets</td><td>£785.8m</td><td>£380.9m</td></tr>
</table></td></tr>
<tr><td>Net debt</td><td></td><td>Net debt, along with gearing, is used by management as a measure of balance sheet efficiency. Net debt includes unencumbered cash whereas gearing uses gross borrowings and is therefore not impacted by movements in cash balances.</td></tr>
</table>

<table>
<tr><td></td><td></td><td>Total drawn debt less unencumbered cash of the Group. As at 31 March, this is calculated as follows:
<table>
<tr><th></th><th>2020</th><th>2019</th></tr>
<tr><td>Adjusted gross borrowings</td><td>£1,915.1m</td><td>£1,184.3m</td></tr>
<tr><td>Less unencumbered cash</td><td>(£916.5m)</td><td>(£162.7m)</td></tr>
<tr><td>Net debt</td><td>£998.6m</td><td>£1,021.6m</td></tr>
</table></td></tr>
<tr><td>Net gearing</td><td></td><td>Net gearing is used by management as a measure of balance sheet efficiency. Net debt, excluding the consolidated structured entities, divided by closing shareholders’ funds. Gross borrowings represent the cash amount repayable to debt providers. As at 31 March, this is calculated as follows:
<table>
<tr><th></th><th>2020</th><th>2019</th></tr>
<tr><td>Net debt</td><td>£998.6m</td><td>£1,021.6m</td></tr>
<tr><td>Shareholders’ funds</td><td>£1,309.2m</td><td>£1,383.4m</td></tr>
<tr><td>Net gearing</td><td>0.76x</td><td>0.74x</td></tr>
</table></td></tr>
<tr><td>Net investment returns</td><td></td><td>Net investment returns is the total of interest income, capital gains, dividend and other income less asset impairments.</td></tr>
<tr><td>Operating cashflow</td><td></td><td>Operating cashflow represents the cash generated from operating activities from the Statement of Cash Flows, adjusted for the impact of the consolidated structured entities. See note 2 for a full reconciliation.</td></tr>
<tr><td>Operating expenses of the Investment Company</td><td></td><td>Investment Company operating expenses are adjusted for the impact of the consolidated structured entities. See note 2 for a full reconciliation.</td></tr>
<tr><td>Operating profit margin</td><td></td><td>Fund Management Company profit divided by Fund Management Company total revenue. As at 31 March this is calculated as follows:
<table>
<tr><th></th><th>2020</th><th>2019</th></tr>
<tr><td>Fund Management Company Profit</td><td>£183.1m</td><td>£143.8m</td></tr>
<tr><td>Fund Management Company Total Revenue</td><td>£341.4m</td><td>£274.7m</td></tr>
<tr><td>Operating profit margin</td><td>53.6%</td><td>52.3%</td></tr>
</table></td></tr>
<tr><td>Return on equity</td><td>ROE</td><td>Profit after tax (annualised when reporting a six month period’s results) divided by average shareholders’ funds for the period.</td></tr>
<tr><td>Third party fee income</td><td></td><td>Fees generated on fund management activities as reported in the Fund Management Company including fees generated on consolidated structured entities which are excluded from the IFRS consolidation position. See note 2 for a full reconciliation.</td></tr>
<tr><td>Weighted average fee rate</td><td></td><td>An average fee rate across all strategies based on fee earning AUM in which the fees earned are weighted based on the relative AUM.</td></tr>
</table>

Other definitions which have not been identified as non IFRS GAAP alternative performance measures are as follows:

Term	**Short form**	**Definition**
AIFMD		The EU Alternative Investment Fund Managers Directive.

Alternative performance measure	APM	These are non-GAAP financial measures.
Catch up fees		Fees charged to investors who commit to a fund after its first close. This has the impact of backdating their commitment thereby aligning all investors in the fund.
Closed end fund		A fund where investor's commitments are fixed for the duration of the fund and the fund has a defined investment period.
Co-investment	Co-invest	A direct investment made alongside or in a fund taking a pro-rata share of all instruments.
Collateralised Debt Obligation	CDO	Investment grade security backed by a pool of non-mortgage based bonds, loans and other assets.
Collateralised Loan Obligation	CLO	CLO is a type of CDO, which is backed by a portfolio of loans.
Close		A stage in fundraising whereby a fund is able to release or draw down the capital contractually committed at that date.
Core Plus	Core+	Assets which have infrastructure characteristics (physical assets, protected and predictable cash flows) with a slightly higher risk/return profile than Core assets.
Direct investment funds		Funds which invest in self-originated transactions for which there is a low volume, inactive secondary market.
Employee Benefit Trust	EBT	Special purpose vehicle used to purchase ICG plc shares which are used to satisfy share options and awards granted under the Group's employee share schemes.
Environmental, Social, Governance criteria	ESG	Environmental, social and governance (ESG) criteria are a set of standards for a company's operations that socially conscious investors use to screen potential investments
Financial Conduct Authority	FCA	Regulates conduct by both retail and wholesale financial service firms in provision of services to consumers.
Financial Reporting Council	FRC	The UK's independent regulator responsible for promoting high quality corporate governance and reporting.
Fund Management Company	FMC	The Group's fund management business, which sources and manages investments on behalf of the IC and third party funds.
HMRC		HM Revenue & Customs, the UK tax authority.
IAS		International Accounting Standards.
IFRS		International Financial Reporting Standards as adopted by the European Union.
Illiquid assets		Asset classes which are not actively traded.
Internal Capital Adequacy Assessment Process	ICAAP	The ICAAP allows companies to assess the level of capital that adequately supports all relevant current and future risks in their business.
Investment Company	IC	The Investment Company invests the Group's capital in support of third party fundraising and funds the development of new strategies.
Internal Rate of Return	IRR	The annualised return received by an investor in a fund. It is calculated from cash drawn from and returned to the investor together with the residual value of the asset.

Key Man		Certain funds have designated Key Men. The departure of a Key Man without adequate replacement triggers a contractual right for investors to cancel their commitments.
Key performance indicator	KPI	A business metric used to evaluate factors that are crucial to the success of an organisation.
Key risk indicator	KRI	A measure used to indicate how risky an activity is. It is an indicator of the possibility of future adverse impact.
Liquid assets		Asset classes with an active, established market in which assets may be readily bought and sold.
Open ended fund		A fund which remains open to new commitments and where an investor's commitment may be redeemed with appropriate notice.
Payment in kind	PIK	Also known as rolled up interest. PIK is the interest accruing on a loan until maturity or refinancing, without any cash flows until that time.
Performance fees	Carry	Share of profits that the fund manager is due once it has returned the cost of investment and agreed preferred return to investors.
Realisation		The return of invested capital in the form of principal, rolled up interest and/or capital gain.
Securitisation		A form of financial structuring whereby a pool of assets is used as security (collateral) for the issue of new financial instruments.
Senior debt		Senior debt ranks above mezzanine and equity.
Structured entities		Entities which are classified investment funds, CLO's or CDO's and are deemed to be controlled by the Group, though its interest in either an investment, loan, fee receivable, guarantee or commitment. These entities can also be interchangeably referred to as credit funds.
Total AUM		The aggregate of the third party external AUM and the Investment Company's balance sheet.
UK Corporate Governance Code	The Code	Sets out standards of good practice in relation to board leadership and effectiveness, remuneration, accountability and relations with shareholders.
UNPRI		UN Principles for Responsible Investing.
Weighted average		An average in which each quantity to be averaged is assigned a weight. These weightings determine the relative importance of each quantity on the average.

Company timetable

Ex-dividend date	18 June 2020
Record date	19 June 2020
Last date for dividend reinvestment election	15 July 2020
AGM and Trading statement	21 July 2020
Payment of ordinary dividend	5 August 2020
Half year results announcement	17 November 2020