



CHELVERTON ASSET MANAGEMENT LIMITED

MIFIDPRU 8 Disclosure Requirement

Chelverton Asset Management ("CAM" or "the Company") is required by the Financial Conduct Authority ("FCA") to disclose information relating to the capital it holds, governance arrangements and risk it faces in order to assist users of its accounts and to encourage market discipline.

CAM prepared its first ICARA in December 2022, and as such there are no significant updates to CAM's previous disclosures under MIFIDPRU 8.

GOVERNANCE ARRANGEMENTS

The following is the current make-up of the Board:

- Timothy Saunders, Non-Executive Chairman, SMF 9 ([Directorships](#))
- David Horner, Managing Director, SMF 1 and 3 ([Directorships](#))
- David Taylor, Director, SMF 3 ([Directorships](#))
- Vivien Langford, SMF 3 ([Directorships](#))
- NB. The SMF 16 / 17, Ben Weiner, is not a member of the Board, but attends all board meetings and reports to the Board at those meetings.

The Compliance Team is independent from the operations of the business and is therefore separate from the Investment Function, in accordance with ESMA guidance.

The Board attends quarterly board meetings, chaired by the Non-Executive Chairman. At these meetings, the Board defines, oversees and is accountable for the implementation of governance arrangements that ensure effective and prudent management of the Company, including the segregation of duties in the organisation and the prevention of conflicts of interest, and in a manner that promotes the integrity of the market and the interests of clients.

Details of directorship of members of the management body

Details of directorships are available using the links 'Directorships' above.

Diversity on the Management Body

25% of the Board are cis gendered white female. 75% are cis-gendered white male.

Risk Committee

- The Company has a Risk Committee – No
- Required by MIFIDPRU 7.3.1R to establish a risk committee – No
- Refer to the above, if the answer is Yes, whether the requirement is removed as a result of a waiver or modification granted by the FCA – NA

Own Funds

As set out below the following represents the Company's own funds, which are represented primarily Ordinary Issued Share Capital, fully paid, the Share Premium in such issued share capital and Retained Profit and Loss bought forward.



COMPOSITION OF REGULATORY OWN FUNDS

Item	Amount (GBP thousands)	Source based on reference numbers/letters of the balance sheet in the audited financial statements
OWN FUNDS	10,842.00	
TIER 1 CAPITAL		
COMMON EQUITY TIER 1 CAPITAL		
Fully paid up capital instruments	86.00	
Share premium	539.00	
Retained earnings	10,217.00	
Accumulated other comprehensive income	0.00	
Other reserves	0.00	
Total	10,842.00	
Adjustments to CET1 due to prudential filters		
Other funds		
(-)TOTAL DEDUCTIONS FROM COMMON EQUITY TIER 1	0.00	
CET1: Other capital elements, deductions and Adjustments		
ADDITIONAL TIER 1 CAPITAL		
Fully paid up, directly issued capital instruments	0.00	
Share premium	0.00	
Total Additional Tier 1 Capital	0.00	
(-) TOTAL DEDUCTIONS FROM ADDITIONAL TIER 1	0.00	
Additional Tier 1: Other capital elements, deductions	0.00	
TIER 2 CAPITAL		
Fully paid up, directly issued capital instruments	0.00	
Share premium	0.00	
(-) TOTAL DEDUCTIONS FROM TIER 2	0.00	

The following sets out a reconciliation of our Balance Sheet to the Own Funds noted above:

OWN FUNDS: RECONCILIATION OF REGULATORY OWN FUNDS TO BALANCE SHEET IN THE AUDITED FINANCIAL STATEMENTS

	Balance Sheet as in published financial statements as of 31 March 2022 (£'000)	
		Cross- reference to OF1
Assets - Breakdown by asset classes according to the balance sheet in the audited financial statements		
1	Tangible Assets	180
2	Debtors	8,418
4	Bank and Cash Balances	7,252
	Total Assets	15,850
Liabilities - Breakdown by liability classes according to the balance sheet in the audited financial statements		
1	Creditor (Due within 12 months)	4,683
2	Creditor (Due after 12 months)	325
	Total Liabilities	5,007.70
	Net Asset	10,842
	Shareholders' Equity	Own Funds
1	Called Up Share Capital	86 Fully Paid up Capital Instruments
2	Share Premium	539 Share Premium
3	Audited Reserves	6,128 Retained Earnings
4	Current Year Profit (Loss)	4,088 Retained Earnings
	Total Shareholder's Equity	10,842 Own Funds

OWN FUNDS REQUIREMENT

Capital Requirements	Regulatory Minimum Standards (£'000)	
1. <i>PMR</i>	75	
2. <i>Fixed Overhead Requirement</i>	874	
3. K Factor		
Risk to Client	<i>K-AUM</i>	451
	<i>K-CMH</i>	0
	<i>K-ASA</i>	0
	<i>K-COH</i>	0
Risk to Market	<i>K-DTF</i>	0
	<i>K-NPR</i>	0
	<i>K-CMG</i>	0
	<i>K-TCD</i>	0
	<i>K-CON</i>	0
Total K- Factors	451	
Own Funds Requirement	874	



OVERALL FINANCIAL ADEQUACY

The Company has considered the Own Fund Requirements and Own Funds by carrying out a detailed assessment of its Risks and Harms and ensuring that it has sufficient Own Funds to remain financially viable throughout the economic cycle, with the ability to address any material potential harms identified. This is achieved by challenge by Senior Management of its base case, economic stress test and an assessment of both its on-going Own Funds and its Risk and Harms requirements. In addition the Company modelled a realistic scenario representing the order and nature of an wind-down to ensure that it could manage it in an orderly manner. Key steps in the wind-down process were identified and documented.