



Forvis Mazars Financial Planning

MIFIDPRU disclosures - 31 August 2023

Forvis Mazars Financial Planning Limited (FMFP) provides a range of advice and wealth management services to individuals and non-natural persons.

Risk management objectives and policies

The risk management framework of the firm is the responsibility of the Board. The Head of Risk and FCA Compliance has day to day responsibility for the operation of the risk framework and is supported by the Risk and Compliance team, the risk owners and other senior individuals within the business.

The firm maintains a risk register and regularly undertakes an assessment of the risks that it faces from both external sources and from its day-to-day activities. The risk register and the risk appetite statement form the basis of the firms' risk framework, and it is from these risk identifications, that mitigations and harm are identified. The firm monitors these risks and the controls that are in place as part of its normal activities.

Individual risks in the risk register are owned by members of or attendees to the board as befits the area(s) of the business that they are responsible for.

The risk appetite of the firm was set by the board after consideration of the responsibilities that the firm has to its customers, staff, and the risk appetite of our parent entity. A key tenet of our appetite is maintaining a stable long-lasting business, which will only happen through sound fiscal management and the correct treatment of customers. Each risk on the risk register has an allocated Board member who is responsible for assessing the potential impact and likelihood of the risk and putting controls in place for managing the risk.

The core services the firm provides are:

- Investment management
- Advice on investments, pensions, protection
- Cashflow planning

A further key tenet of the firms offering is leveraging on the skills and experience of other Forvis Mazars entities to provide a holistic offering to our clients.

The firm is classified as a non-SNI investment firm under the Financial Conduct Authority MIFIDPRU rules. This document provides the disclosures that are required under MIFIDPRU 8.

This disclosure relates to the business year ending 31 August 2023.



The Compliance and Risk team monitor the effectiveness of the controls that are in place for the risks.

A key tenant of the Boards strategy is building a sustainable business and the executives of the firm's view is that they are custodians of the firm for future generations. The firm is thus focused that it must remain on a firm financial base, remaining well capitalised, both from a capital and liquid capital perspective. The firm regularly monitors it's financial (including capital) position and holds capital and liquid capital in excess of that required under the FCA rules. The firm also believes that a well-managed business requires investment in staff, both the development of existing staff and strategic appointments where these can add value to our firm and our clients.

The firm's finances are mainly impacted by the broader macro-economic climate. When this climate is difficult the squeezing impact on client finances and/or market conditions will generally lead to a reduction in new business generation. Where investment values are depressed, this also leads to a reduction in ongoing income streams that are related to assets under management.

The firm generates strong and regular income streams from its day-to-day activities in excess of the costs that the firm is subject to and believes that it is well positioned even in difficult economic environments to continue to operate in an ordinary manner. As mentioned previously, the Board regularly reviews the financial position of the firm including its income streams and cost base and remains focused on the longevity of the business.

The firm remains well supported by its ultimate parent Forvis Mazars LLP, a large, well-capitalised accountancy practice. The firm shares a number of centralised services with its parent, including IT, HR and Finance. This sharing of services creates economies of scale and enable the firm to leverage the specialist expertise that exists in our parent for the benefit of the both the firm and our customers.

Our parent also monitors our activities, finances, and qualitative elements of our business.

The firm understands that the reliance of portfolio generated income creates a risk of harm, for both the firm and consumers and should a period of extended financial stress occur that this could cause difficulties. However, the firm believes that through sound fiscal and investment management that it can mitigate the potential risks that exist.

The firm also uses the services of external Compliance Consultants to provide qualitative checks of its activities and to audit functions of the firm against FCA rules and best practice.

The firm has in total over 4500 clients. Within this number, there will be a number of connected entities and individuals; for example, a client may have a partner, trusts and/or a company to which we also provide advice. As a firm we are not reliant on the income from any one client or connected group of clients and the loss of any connected client group would have a minimal impact on the firm.

The firm maintains strategic relations with a small number of key partners, these partners include such as our client relationship management system and a number of financial services platforms. These strategic relationships provide definitive benefits for our customers and our firm as the economies of scale and efficiencies lead to reduced costs for our customers and more efficient process and practices, streamlining their interactions with the firm. The firm regularly monitors and assesses the financial strength of its strategic partners.

However, the firm acknowledges that the failure of one of these entities would be extremely disruptive to the firm and creates potential harm to both the firm and its customers.

The firm believes it's broad client base and the lack of reliance of income from a single/small number of clients is a positive for the business. The Board accepts the risks from the strategic partnerships it holds as it believes the benefits it brings to its customers outweighs the potential risks.

Governance arrangements

The activities of FMFP are overseen by the board. The board has responsibilities including (but not exclusive to) strategic governance, risk strategy and internal governance, accounting and financial reporting, disclosures and communications, oversight of senior management, the regulatory activities of the firm, the effectiveness of the Governance arrangements in place and the adequacy of processes and policies relating of the provision of services to clients.

Although the Board maintains overarching responsibility, they have delegated certain responsibilities to sub-committees.

The board is made up of four voting members and is attended by other non-voting individuals. Each member and attendee of the board has a statement of responsibilities which clearly defines their regulatory and non-regulatory responsibilities and the activities or business function that they are responsible for. The board chair and one of the non-executive directors have specific responsibility to provide internal challenge to the Executives of the firm. One board member has the allocated responsibility of the firm's Consumer Duty Champion.

All board members have a responsibility to consider the impact on consumers of any actions they are taking.

The board meets at least quarterly but will hold interim meetings where required. All board meetings have an agenda, minutes are taken and action and decision logs are maintained.

The firm maintains a conflict-of-interest policy and register which is overseen by the Board.

The board

Margaret Laidlaw (member): Chairperson

Ian Pickford (member): Chief Executive

Alan Duley (member): Chief Financial Officer, Consumer Duty Champion

David Baker (member): Head of Financial Planning

Caroline Gill (attendee): Head of Risk and Compliance

Shirley Reeve (attendee): Head of Operations

Of the board members and attendees, a number hold directorships in other group entities. Caroline Gill holds two directorships in unrelated companies.

Inclusion, Diversity and Wellbeing

Inclusion, Diversity and Wellbeing lie at the heart of Forvis Mazars. Our commitment to these is embedded in our strategy, which highlights our commitment to creating a firm where everyone is valued for who they are and empowered to be themselves, creating a culture of 'inclusion for all'.

Fostering a culture of inclusion enables us to create a workplace where everyone feels a sense of belonging and psychological safety, and we are able to use our uniqueness to deliver the best service to our clients by knowing our advice is reflective of the diversity of thought and experience we have within in the firm.

Every team member is encouraged to be themselves, whether in terms of background, personal characteristics, experience, skills or motivation. These different views and perspectives are valued and embraced to create a firm where everyone has a voice and diversity is embraced. This is about enabling and supporting everyone and unlocking their true potential.

The inclusion agenda is driven from our most senior leaders, the FMFP Chair (Margaret Laidlaw) is also the Forvis Mazars LLP Executive Partner Sponsor on inclusion, and all senior individuals across our firm have an inclusion and diversity goal to ensure that they are playing their part in creating an inclusive firm of the future. Within FMFP a senior member of the team, who is also the non-audit service lead within Forvis Mazars LLP has designated responsibility to provide leadership in this area.

The wider firm operates a range of networks, which offer a place for individuals to come together, share experiences, learn and facilitate development of our inclusion agenda. The networks encourage membership of allies too so that we all learn and grow to understand different perspectives. The networks work with senior management to shape organisational policy to improve staff experience on specific issues relating to each network.

The networks also feed into our Inclusion Alliance by sharing ideas, feedback, and insights to the executive and senior leadership teams to help better support and be more inclusive.

The wider firm also has a focus on the mental health of its staff, supported by a network of mental health first aiders who provide a safe, independent of management support service to help individuals.

An additional part of the focus of the firm in creating the right culture is to support members of staff who wish to speak up about anything that could harm to themselves, their colleagues or our clients.

The Board recognises the importance of measurement and targets of diversity in assessing progress, but our commitment to this agenda is not driven by our want to meet targets, it is driven by wanting to embed an authentic culture of inclusion, diversity and wellbeing for all.

The Board has not at this time set any targets for diversity within the Board but is committed to create a diversity of thought and experience that will enable it to continue to be as effective as possible.

Own funds

As at the end of the business year 2022/23 the firm, in accordance with the definitions in MIFIDPRU held the following capital:

Composition of regulatory own funds

Item	Amount (GBP thousands)	Source based on reference numbers/letters of the balance sheet in the audited financial
1 Own funds	7,457	
2 Tier 1 capital	7,457	
3 Common equity tier 1 capital	7,457	
4 Fully paid up capital instruments		
5 Share premium	2,000	19
6 Retained earnings	5,457	
7 Accumulated other comprehensive income		
8 Other reserves		
9 Adjustments to CET1 due to prudential filters		
10 Other funds		
11 (-) Total deductions from common equity tier 1		
19 CET1: Other capital elements, deductions and adjustments		
20 Additional tier 1 capital		
21 Fully paid up, directly issued capital instruments		
22 Share premium		
23 (-) Total deductions from additional tier 1		
24 Additional Tier 1: Other capital elements, deductions and adjustments		
25 Tier 2 capital		
26 Fully paid up, directly issued capital instruments		
27 Share premium		
28 (-) Total deductions from tier 2		
29 Tier 2: Other capital elements, deductions and adjustments		

Own funds: reconciliation of regulatory own funds to balance sheet in the audited financial statements

Flexible template - rows to be reported in line with the balance sheet included in the audited financial statements of the investment firm.

Columns should be kept fixed, unless the investment firm has the same accounting and regulatory scope of consolidation, in which case the volumes should be entered in column (a) only.

Figures should be given in GBP thousands unless noted otherwise.

Item	A: Balance sheet as in published/ audited financial statements As at period end	B: Under regulatory scope of consolidation As at period end	C: Cross-reference to template OF1
Assets – Breakdown by asset classes according to the balance sheet in the audited financial statements			
1	Intangible Assets	515	
2	Investments		
3	Debtors	7,441	
4	Cash and Cash Equivalents	923	
xxx	Total Assets	8,879	
Liabilities – Breakdown by liability classes according to the balance sheet in the audited financial statements			
1	Creditors	1,051	
2	Other Provisions	370	
xxx	Total Liabilities	1,421	
Shareholders' Equity			
1	Called up Share Capital	2,000	5
2	Profit and Loss Account	5,457	6
xxx	Total Shareholders' equity	7,457	
Own funds: main features of own instruments issued by the firm			

All share capital in existence is fully allotted, called up and fully paid ordinary shares of £1.00 each. Each share entitles the holder to one voting right and no right to fixed income. There are £2,000,000 shares in existence. All shares were issued via a private placement.

Own funds – further notifications

The firm has calculated the following metrics:

Firm	FMFP
PMR	£75,000
FOR	£3,308,684
Combined K Factors	£365,193

The K Factor requirement is made up of:

- K-AUM – £361,366
- K-COH – £3,827
- No further K factors were relevant for the firm

The firm has completed detailed modelling and stress testing to identify the conditions that might lead the firm to breaching its regulatory minimums. It regularly reviews the level of capital and liquid capital against the regulatory minimums. The Board remain ultimately responsible for the overall financial adequacy of the firm and will assess the firm's compliance with the overall financial adequacy rule at least quarterly.

Remuneration arrangements

The firm forms part of the Forvis Mazars UK group of companies whose ultimate parent is Forvis Mazars LLP. Individuals that normally operate within the business are either Partners of our parent entity, Forvis Mazars LLP or employees of Forvis Mazars Financial Planning Limited.

The Board has agreed to adopt the remuneration practices of the Forvis Mazars group of companies. They have assessed these practices against the MIFIDPRU remuneration code and has determined that it is consistent with the standards set-out.

Material risk takers

The firm has identified based on the rules within SYSC 19G.5, 8 material risk takers (MRTs), all of whom sit on the Management Body of the firm as either voting or non-voting members. The firm has not identified any other material risk takers.

Staff remuneration

Good reward is an important aspect of our approach to ensuring we can attract and retain the best talent. Our approach to total reward is based on several factors, including the external market, economic factors, the performance of the firm and individual contribution.

There are three elements to staff remuneration:

- Salary
- The benefit package including (but not exclusive to) matched pension contributions, life insurances, health insurance and private medical insurance
- Bonus payments (see below)

All staff (including material risk takers) are remunerated under the same principles and practices.

The largest element of a staff members remuneration will be their salary (fixed remuneration), in addition staff can benefit from one of a number of bonus schemes (variable remuneration):

- **Profit share bonus** – A bonus paid to all staff based on a share of the profits made by the Forvis Mazars group of companies. This is a fixed cash amount unrelated to individual performance and is paid out of profits.
- **Exceptional Performance Bonus** – Please see below
- **Spot bonuses** – small ad hoc bonuses of a fixed cash amount

The bonus schemes are designed to reward good behaviours that contribute to the success of the business.

The Exceptional Performance Bonus recognises the contribution of team members who demonstrated exceptional performance, exceeded expectation and made a significant contribution to the firm's success during the financial year. These bonuses are based on a percentage of salary.

No exceptional performance bonuses are given based solely on financial performance, staff are also monitored and assessed based on the quality of their work. Approved and certified staff (including where they are also MRTs) are assessed against a range of measures, both quantitative and qualitative which are regularly monitored through the T&C and Human resources processes in the firm, these form part of the assessment when considering bonus provision.

These quantitative and qualitative measures include such as advice quality, process adherence, complaints, errors as well as various other financial and non-financial metrics.

Bonus provision is fully discretionary, both profit share and Exceptional Performance bonus payments are deferred to the year after the performance period. The firm reserves the right to withdraw any bonus up until the time it is paid should either the economic conditions of the firm deteriorates or if qualitative issues come to light.

The provision of a bonus (except spot bonuses) is agreed by the Chief Executive of the firm in conjunction with the Firm's senior management and our parent.

The largest element of a staff members remuneration will be their fixed remuneration. The level of variable remuneration and the controls around the payment of variable remuneration are deemed by the firm to promote good behaviours and are at a level that the firm does not believe that it's needs to defer or apply clawback beyond the time that the bonus is paid.

Salaries and bonuses are only provided by cash payment.

The firm also recognises long service through the provision of small cash payments and for those on training contracts the firm rewards individuals for the passing of certain exams and/or obtaining certain qualifications.

The firm also reserves the right in exceptional circumstances to pay support or other equivalent payments to staff where outside factors impact, for example in May 2022 the firm paid a one-off support allowance to lower paid team members to help with the cost of living crisis.

The firm does not currently offer any other guaranteed variable remuneration.

Partner remuneration

A small number of Partners of our parent entity are active within FMFP, this includes individuals defined as MRTs as well as other individuals with Certified Functions.

An element of the management charge that FMFP pays to Forvis Mazars LLP is payment for the services of these individuals. Where they operate within FMFP, they are subject to the same oversight mechanisms as staff (see previous).

A Partner's remuneration is ultimately dependent on the performance of the Forvis Mazars group of which FMFP is only one component. However, FMFP also provides a qualitative report to Forvis Mazars LLP on the activities of Partners within the business who act in certified functions.

Partners of the LLP that act within the firm are deemed to be paid fixed remunerations by the firm.

Remuneration metrics

All figures are in GBP thousands.

Group	Fixed	Variable	Total
All Staff (including MRTs)	7,763,480	276,520	8,039,999
MRTs only	1,149,975	10,800	1,160,775

The fixed remuneration figures given above include an element of the Management charge paid to Forvis Mazars LLP for Partner activities within FMFP.

- No guaranteed variable remuneration awards were made to Senior Staff / MRTs.
- All awards are paid by cash.
- Variable remuneration awards that relate to profits share or exceptional performance are deferred until the following business year. The profit share and exceptional bonus elements included in the figures above relate to the business year ending 31 August 2022.

Peace of mind. Trust. Value.

Forvis Mazars Financial Planning Ltd, 30 Old Bailey, London EC4M 7AU

 [Please visit our website](#)



Forvis Mazars Financial Planning Ltd is registered in England and Wales with registered number 3172233 and with its registered office at 30 Old Bailey, London EC4M 7AU.

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