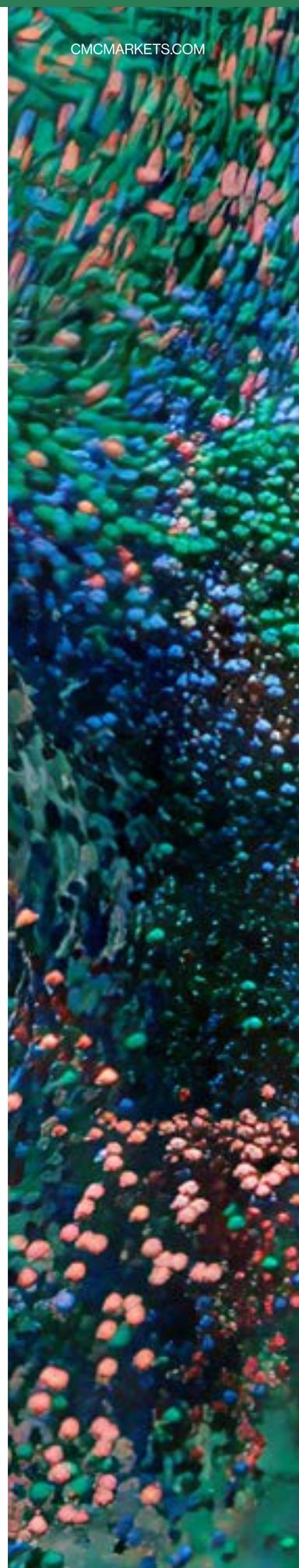




# CMC Markets plc and its subsidiaries

The Capital Requirements  
(Country-by-country reporting)  
Regulations 2013  
31 March 2023





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# Country-by-country reporting schedule (“the schedule”)

## 1. Introduction

The Capital Requirements (Country-by-country reporting) Regulations 2013 came into effect on 1 January 2014 and place certain reporting obligations on UK financial institutions that are within the scope of the EU’s Capital Requirements Directive (CRD IV). The purpose of the regulations is to provide clarity on the source of the Group’s income and the location of its operations.

The disclosures hereby presented intend to comply with the provisions of the regulations in respect of the following three entities that are within the scope of CRD IV:

- CMC Markets UK plc
- CMC Spreadbet plc
- CMC Markets Investments Limited

## 2. Basis of preparation

These disclosures have been prepared to comply with The Capital Requirements (Country-by-country reporting) Regulations 2013.

- **Compliance with International Financial Reporting Standards (‘IFRSs’)**

The amount disclosed for turnover is prepared on the same basis as the financial statements of CMC Markets UK plc, CMC Spreadbet plc and CMC Markets Investments Limited for the year ended 31 March 2023, which have been prepared in accordance with United Kingdom adopted International Accounting Standards in conformity with the requirements of the Companies Act 2006 and the International Financial Standards (IFRSs) as issued by the IASB and adopted by the United Kingdom.

- **Consolidation**

Turnover is reported on a consolidated basis for each country.

- **Country**

The country information is reported based on the location of operations of the subsidiary or the branch responsible for reporting the results.

### 3. Nature of activities and operating entities by region

CMC Markets UK plc, through a subsidiary, branches, a permanent establishment office and a representation office, operates in a number of different countries as follows:

Jurisdiction	Nature of activities	List of entities
<b>CMC Markets UK plc</b>		
United Kingdom	Online retail financial services business which provides its customers the ability to trade contracts for difference (CFD's) on a range of underlying shares, indices, foreign currencies, commodities and treasuries	CMC Markets UK plc
Germany	Inactive	CMC Markets Niederlassung Frankfurt am Main der CMC Markets UK Plc
Spain	Inactive	Sucursal en Espana de CMC Markets UK Plc
Austria	Inactive	CMC Markets UK Plc, Zweigniederlassung Österreich
China	No business activity	CMC Markets UK Plc Beijing Representative Office
Poland	Inactive	CMC Markets UK Plc Oddział w Warszawie
Australia	Global risk management	CMC Markets UK Plc (Australia Permanent Establishment)
<b>Subsidiary of CMC Markets UK plc – CMC Markets Germany GmbH</b>		
Germany	Online retail financial services business which provides its customers the ability to trade contracts for difference (CFD's) and spread bet on a range of underlying shares, indices, foreign currencies, commodities and treasuries	CMC Markets Germany GmbH
Austria	Acquisition, retention and support of CFD clients	CMC Markets Germany GmbH, Niederlassung Wien
Norway	Acquisition, retention and support of CFD clients	CMC Markets Germany GmbH, Oslo
Spain	Acquisition, retention and support of CFD clients	CMC Markets Germany GmbH, Sucursal en Espana
Poland	Acquisition, retention and support of CFD clients	CMC Markets Germany GmbH Spółka z Ograniczoną Odpowiedzialnością Oddział w Polsce
<b>CMC Spreadbet plc operates only in the United Kingdom</b>		
United Kingdom	Online retail financial services business which provides its customers the ability to spread bet on a range of underlying shares, indices, foreign currencies, commodities and treasuries	
<b>CMC Markets Investments Limited operates only in the United Kingdom</b>		
United Kingdom	Online execution only investment business which provides its customers with access to US and UK equities, ETFs and Investment trusts via GIA accounts.	

## 4. Country-by-country report

For the year ended 31 March 2023

	Turnover <sup>1</sup> (£ '000)	Number of employees <sup>2</sup>	Profit / (loss) before tax (£ '000)	Accounting tax charge / (credit) (£ '000)	Cash tax paid / (refund) (£ '000)
<b>CMC Markets UK plc</b>					
United Kingdom	266,601	548	58,650	8,196	8,511
Germany	-	-	-	(268)	88
Spain	(187)	-	-	-	-
Sweden	-	-	-	-	-
Norway	-	-	-	-	-
France	-	-	-	-	-
Italy	-	-	-	-	-
Austria	-	-	-	-	-
China	-	1	(117)	-	-
Poland	-	-	-	(1)	-
Australia	589	-	587	156	86
Consolidation Adjustments	(401)	-	-	-	-
<b>CMC Markets UK plc Total</b>	<b>266,602</b>	<b>549</b>	<b>59,120</b>	<b>8,083</b>	<b>8,685</b>
<b>Subsidiary of CMC Markets UK plc – CMC Markets Germany GmbH</b>					
Germany	17,210	30	2,538	444	540
Austria	304	1	20	(3)	1
Poland	1,592	11	104	22	44
Spain	1,554	8	102	3	17
Norway	1,619	8	46	47	15
Consolidation Adjustments	(5,062)	-	-	-	-
<b>CMC Markets Germany GmbH</b>					
<b>Total</b>	<b>17,217</b>	<b>58</b>	<b>2,810</b>	<b>513</b>	<b>617</b>
<b>Total</b>	<b>283,819</b>	<b>607</b>	<b>61,930</b>	<b>8,596</b>	<b>9,302</b>
<b>CMC Spreadbet plc</b>					
United Kingdom	25,810	-	2,596	-	-
<b>CMC Spreadbet plc Total</b>	<b>25,810</b>	<b>-</b>	<b>2,596</b>	<b>-</b>	<b>-</b>
<b>CMC Markets Investments Limited</b>					
United Kingdom	8	-	(5,340)	-	-
<b>CMC Markets Investments Limited Total</b>	<b>8</b>	<b>-</b>	<b>(5,340)</b>	<b>-</b>	<b>-</b>

<sup>1</sup> Statutory revenue

<sup>2</sup> Full time equivalent

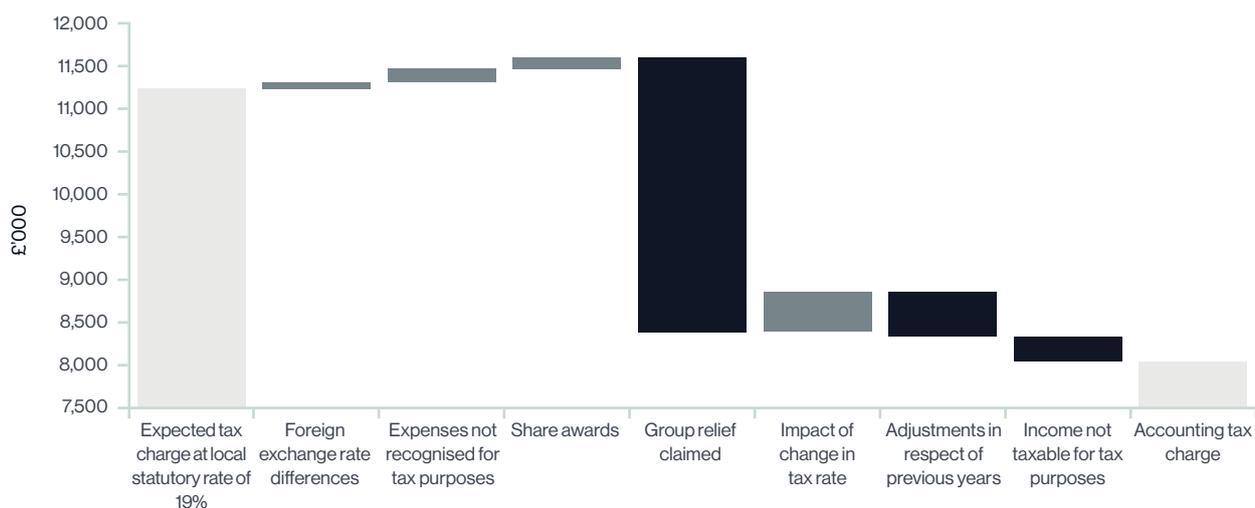
CMC Markets UK plc is exempt under s400 of the United Kingdom's Companies Act 2006 from preparing group financial statements because they have been included in the 2023 consolidated financial statements of CMC Markets plc, a company incorporated in the United Kingdom.

CMC Markets UK plc, its subsidiary, branches, permanent establishment office and representation office, CMC Spreadbet plc and CMC Markets Investments Limited did not receive any public subsidies.

## 5. Reconciliation between expected tax and accounting tax charge for CMC Markets UK plc

For the year ended 31 March 2023

	(£ '000)
<b>CMC Markets UK plc Profit before tax</b>	<b>59,120</b>
Expected tax charge at local statutory rate of 19%	11,233
Effect of:	
Foreign exchange rate differences	66
Expenses not recognised for tax purposes	171
Share awards	133
Group relief claimed	(3,181)
Impact of change in tax rate	455
Adjustments in respect of previous years	(509)
Income not taxable for tax purposes	(285)
<b>Accounting tax charge</b>	<b>8,083</b>



# Independent Assurance Report on Country-by-Country Reporting to the Directors of CMC Markets plc and its subsidiaries

We have been engaged by the Directors of CMC Markets plc and its subsidiaries (“the Group”) to conduct a reasonable assurance engagement relating to the Country-by-Country Reporting (“CBCR”) disclosures set out on pages 1 to 4 for the year ended 31 March 2023.

In our opinion, the Country-by-Country Reporting disclosures for the year ended 31 March 2023 have been prepared, in all material respects, in accordance with the Capital Requirements (Country-by-Country Reporting) Regulations 2013 (the “Regulations”).

## Respective responsibilities

The Directors are responsible for preparing the CBCR disclosures in accordance with the Regulations.

Our responsibility is to express a conclusion on the CBCR disclosures based on our procedures.

We conducted our engagement in accordance with the International Standard on Assurance Engagements ISAE 3000 (Revised) *Assurance Engagements Other than Audits or Reviews of Historical Financial Information*, issued by the International Auditing and Assurance Standards Board (IAASB), to state whether the CBCR disclosures have been prepared, in all material respects, in accordance with the Regulations.

## Summary of our work

We obtained reasonable assurance as defined in ISAE 3000 (Revised). Reasonable assurance is not absolute assurance because of factors such as the following: the use of selective testing, the inherent limitations of internal control, the fact that much of the evidence available to us is persuasive rather than conclusive and the use of judgement in gathering and evaluating evidence and forming conclusions based on that evidence.

Our procedures consisted primarily of:

- Obtaining an understanding of the Group’s business, including the design and implementation of internal controls relevant to collection of the information used to prepare the CBCR disclosures. This will include discussions with Group management responsible for the CBCR disclosures.
- Considering the risk of material misstatement of the CBCR disclosures.
- Where appropriate, testing the operating effectiveness of internal control over the collection and aggregation of the turnover data underlying the CBCR disclosures. We tested the design and implementation of internal control over taxation and payroll data underlying the CBCR disclosures. This testing is designed to provide evidence to support our opinion on the CBCR disclosures and not for the purpose of expressing an opinion on the effectiveness of those internal controls.
- Agreeing the underlying data supporting the turnover and profit before tax disclosures to the corresponding audited financial statements; and
- Testing the accuracy and completeness of underlying data for disclosures around geographical turnover, taxation-related amounts and employee headcount, on a sample basis.

## Our independence and competence

In conducting our engagement, we complied with the independence requirements of the FRC’s Ethical Standard and the ICAEW Code of Ethics. The ICAEW Code is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality, and professional behaviour.

We applied the International Standard on Quality Management (UK) 1 (“ISQM (UK) 1”), issued by the Financial Reporting Council. Accordingly, we maintained a comprehensive system of quality including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

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**Use of our report**

This report is made solely to the Directors of the Group in accordance with ISAE 3000 (Revised) and our agreed terms of engagement. Our work has been undertaken so that we might state to the Directors of the Group those matters we have agreed to state to them in this report and for no other purpose.

Without assuming or accepting any responsibility or liability in respect of this report to any party other than the Directors of Group, we acknowledge that the Directors of the Group may choose to make this report publicly available for others wishing to have access to it, which does not and will not affect or extend for any purpose or on any basis our responsibilities. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than as a body, for our work, for this report, or for the conclusions we have formed.



Deloitte LLP  
Statutory Auditor  
London  
13 December 2023

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**CMC**

Incorporated and registered in England and  
Wales under number 05145017

