



## Onyx Commodities Limited - IFPR Disclosure 2022

### Introduction

In accordance with the Financial Conduct Authority's ("FCA") UK Investment Firms Prudential Regime, ("IFPR")<sup>1</sup> Onyx Commodities Limited ("Onyx" or "the firm") is required to disclose the following:

- 1) Governance arrangements
- 2) Own funds requirements
- 3) Own funds

This disclosure covers Onyx's 2021/2022 financial year. All figures provided are as at 30 June 2022.

### 1) Governance Arrangements

In accordance with MIFIDPRU 8.3, Onyx is required to disclose certain internal governance arrangements. Effective governance arrangements help a firm achieve its strategic objectives while also ensuring that risks to the firm, its stakeholders and the wider market are identified, managed and mitigated.

Onyx's governance framework:

- Safeguards overall responsibility for the firm;
- Approves and oversees the implementation of strategy objectives and risk strategy;
- Ensures the integrity and accuracy of the firm's operations including but not limited to accounting, financial reporting, legal and compliance; monitoring and
- Provides responsibility for delegation and effective oversight of senior management and all other staff.

### Overview



<sup>1</sup> <https://www.handbook.fca.org.uk/handbook/MIFIDPRU/8/?view=chapter>



## Board of Directors

The Board is collectively responsible for:

- setting an appropriate risk strategy and appetite;
- promoting a comprehensive risk culture and awareness;
- monitoring the implementation of the firm's risk strategy;
- ensuring the independence of the control functions such as Compliance and Risk; and
- verifying that independent control functions operate correctly and effectively.

	External Executive Directorships Held	External Non-Executive Directorships Held
<b>Chief Executive Officer</b>	2	0
<b>Director of Trading</b>	1	0
<b>Non-Executive Chairman</b>	1	0

## Diversity

Onyx strives for diversity and inclusion on its management body, and does not discriminate on the basis of gender, ethnicity or any other protected characteristics in accordance with the Equality Act 2010.

## **2) Own Funds Requirements**

In accordance with MIFIDPRU 8.5, Onyx is required to disclose the following:

<b>K-DTF (Daily Trading Flow)</b>	£1,945,101.45
<b>K-NPR (Net Position Risk)</b>	£16,496,880.77
<b>KFR Total (K-Factor Requirement / Own Funds Requirement)</b>	£18,441,982.21
<b>FOR (Fixed Overhead Requirement)</b>	£5,680,080

Firms must assess whether further capital needs to be held to cover any risks the Own Funds Requirement does not account for. The result of this assessment is the Overall Financial Adequacy Rule ("OFAR").

Onyx concluded that from an Own Funds perspective, the K-Factor requirement represents a suitable level of capital for the firm to remain viable throughout the economic cycle. Therefore, Onyx have not set a separate fixed OFAR figure, but will monitor and maintain sufficient Own Funds in line with the K-Factor Requirement.

## **3) Own Funds**

In accordance with MIFIDPRU 8.4, Onyx is required to disclose the following:

<b>Composition of regulatory own funds</b>			
	<b>Item</b>	<b>Amount (GBP thousands)</b>	<b>Source based on reference numbers/letters of the balance sheet in the audited financial statements</b>



<b>1</b>	<b>OWN FUNDS</b>	<b>67,149</b>	
<b>2</b>	<b>TIER 1 CAPITAL</b>	<b>67,149</b>	
<b>3</b>	<b>COMMON EQUITY TIER 1 CAPITAL</b>	<b>67,149</b>	
4	Fully paid up capital instruments	2	Page 14
5	Share premium		
6	Retained earnings	65,222	Page 14
7	Accumulated other comprehensive income		
8	Other reserves	1,925	Page 14
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		
<b>20</b>	<b>ADDITIONAL TIER 1 CAPITAL</b>	<b>0</b>	
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		
<b>25</b>	<b>TIER 2 CAPITAL</b>	<b>0</b>	
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**

Figures in GBP thousands

	a	b	c
	<b>Balance sheet as in published/audited financial statements</b>	<b>Under regulatory scope of consolidation</b>	<b>Cross reference to template OF1</b>



		As at period end	As at period end	
<b>Assets - Breakdown by asset classes according to the balance sheet in the audited financial statements</b>				
1	Tangible assets	258		
2	Debtors	111,044		
3	Cash at bank and in hand	9,734		
4	<b>Total Assets</b>	<b>121,036</b>		
<b>Liabilities - Breakdown by liability classes according to the balance sheet in the audited financial statements</b>				
1	Creditors: amounts falling due within one year	53,828		
2	Provisions	59		
3	<b>Total Liabilities</b>	<b>53,887</b>		
<b>Shareholders' Equity</b>				
1	Called up share capital	2		Item 4
2	Capital contribution reserve	1,925		Item 8
3	Profit and loss account	65,222		Item 6
4	<b>Total Shareholders' equity</b>	<b>67,149</b>		