I Hennig & Co Limited

Report and Financial Statements

For the year ended

31 December 2021

Company Number 646001

I Hennig & Co Limited

Report and Financial Statements
for the year ended 31 December 2021

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I Hennig & Co Limited

Company information
for the year ended 31 December 2021

Directors	A Sela S L Stewart J D Hambro G J F Stubbs
Secretary and registered office	S L Stewart 9 Pine Grove Bricket Wood St.Albans AL2 3ST
Company number	646001
Auditor	BDO LLP 4 Atlantic Quay 70 York Street Glasgow G2 8JX
Bankers	BNP Paribas SA (London branch) 10 Harewood Avenue London NW1 6AA
	National Westminster Bank Plc 1st Floor 440 Strand London WC2R 0QS
	Barclays Bank Plc Leicester LE87 2BB

I Hennig & Co Limited

Company statement of financial position
at 31 December 2021

Company number 646001	Note	2021	2021	2020	2020
		$	$	$	$
Fixed assets					
Intangible assets	4		**41,892**		329,642
Tangible assets	5		**10,029**		13,186
Investments	6		**213,360**		213,360
			265,281		556,188
Current assets					
Debtors due in less than one year	7	**1,514,129**		1,264,907	
Debtors due in more than one year	7	**179,319**		88,784	
Cash at bank and in hand		**7,112,506**		6,264,022	
		8,805,954		7,617,713	
Creditors: amounts falling due within one year	8	**931,319**		1,385,026	
Net current assets			**7,874,635**		6,232,687
Net assets excluding retirement benefit liabilities			**8,139,916**		6,788,875
Retirement benefits liabilities	9		**2,226,225**		2,415,509
Net assets			**5,913,691**		4,373,366
Capital and reserves					
Called up share capital	11		**121,067**		121,067
Profit and loss account			**5,792,624**		4,252,299
Shareholders' funds			**5,913,691**		4,373,366

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A – small entities. The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The company has taken the exemption from presenting the profit and loss account under section 408 of the Companies Act 2006. The company's profit for the year was $1,006,999 (2020: loss $875,679).

The financial statements were approved by the Board and authorised for issue 28th September 2022.

S L Stewart
Director

The notes on pages 4 to 19 form part of these financial statements

I Hennig & Co Limited

Company statement of changes in equity
for the year ended 31 December 2021

	Share capital	Profit and loss reserves	Total equity
	$	$	$
At 01 January 2021	121,067	4,252,299	4,373,366
Company changes in equity for the year			
Profit for the year	-	1,006,999	1,006,999
Other comprehensive profit	-	533,326	533,326
At 31 December 2021	121,067	5,792,624	5,913,691

	Share capital	Profit and loss reserves	Total equity
	$	$	$
At 01 January 2020	121,067	5,375,146	5,496,213
Company changes in equity for the year			
Loss for the year	-	(875,679)	(875,679)
Other comprehensive loss	-	(247,168)	(247,168)
At 31 December 2020	121,067	4,252,299	4,373,366

The notes on pages 4 to 19 form part of these financial statements

I Hennig & Co Limited

Notes forming part of the financial statements
for the year ended 31 December 2021

1 Accounting policies

Company information

I Hennig & Co Limited is a private company limited by shares incorporated in England and Wales. The company registered number is 646001, the registered office 9 Pine Grove, Bricket Wood, St. Albans, AL2 3ST.

The company's principal activities continue to be diamond broking.

Basis of preparation

The financial statements have been prepared under the historical cost convention and are in accordance with FRS 102, Section 1A, the financial reporting standard applicable in the United Kingdom and Ireland.

The preparation of these financial statements in compliance with Section 1A of FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies (see note 2).

Rounding to the nearest dollar has been applied in the preparation of these financial statements.

Going concern

The Company does not have any external borrowings and so is not required to meet any covenants or to make any scheduled repayments.

Management therefore continues to consider the most significant risk to the business to be running out of available cash. A reverse stress test scenario was prepared to assess whether the Company would have sufficient cash to meet all expenses assuming $NIL revenue (an extreme outcome) for the 12 months from the date of signing. The Company does have sufficient cash in such a scenario.

The Company saw a strong trading performance for 2021. The Company also forecasts a strong trading performance for 2022, further strengthening its financial position.

Based on this the directors are of the opinion that the Company is a going concern and therefore that it is appropriate to prepare on a going concern basis.

Reporting currency

The financial statements have been prepared in US Dollars, which is the functional currency of the Company. As a matter of industry convention, diamonds have for many years been priced in US Dollars. As substantially all the company's income is charged and received in US Dollars the directors feel that US Dollars represent the most appropriate reporting currency. The year-end exchange rate is $1.3527 to £1 (2020: $1.3624 to £1).

Turnover

Turnover represents commissions receivable by the company for services provided as brokers and consultants. This revenue is recognised as the service is provided.

Other income
Other income largely consists of consideration for services provided to a joint venture. This income is recognised at the point the service was provided.

Dividends

Equity dividends are recognised when they become legally payable.

1 Accounting policies *(continued)*

Intangible assets and amortisation

Intangible assets are comprised of IT development costs and are recognised from the development phase of a project if and only if certain specific criteria are met to demonstrate the asset will generate probable future economic benefits and that the cost can be reliably measured.

Once capitalised, IT developments costs are amortised over a period of three years on a straight-line basis, recognised within 'administrative expenses'. Amortisation begins when the intangible asset is available for use in the manner intended by management.

Tangible fixed assets and depreciation

Depreciation is provided to write off the cost or valuation, less estimated residual values, of all assets evenly over their useful lives. It is calculated as follows:

Motor vehicles and equipment	-	6% - 33% straight line
Short leasehold improvements	-	over the length of the lease

Investments

Where the company has an investment in another company but does not have significant influence over that company, the company's equity stake is accounted for as an investment. The company's equity stake is accounted for an investment at amortised cost as the fair value of the company cannot be reliably measured.

Investments in associates & joint ventures

An entity is treated as an associate where the company exercises significant influence over the operating and financial policy decisions of the entity. An entity is treated as a joint venture where the Company exercises joint control over the entity.

On the Company individual balance sheet, investments in associate and joint venture are held at amortised cost.

Deferred taxation

Deferred tax is provided in full on timing differences which result in an obligation at the year end date to pay more tax, or a right to pay less tax, at a future date, at rates that are expected to apply in the periods in which the timing differences reverse. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax balances are not discounted.

Foreign currency translation

Transactions in currencies other than the company's functional currency are recorded at the spot rate ruling at the beginning of the month in which the transaction occurred, which is not materially different from the rate on the date on which the transaction occurred. Monetary assets and liabilities denominated in foreign currencies at the year end date are translated at the rates of exchange prevailing at that date. All exchange differences are included in the income statement account.

The financial statements of overseas subsidiaries are translated at the rates of exchange ruling at the year end date. Exchange differences arising from the re-translation of opening net assets are taken directly to reserves.

1 Accounting policies *(continued)*

Foreign currency translation

The principal US Dollar exchange rates used were as follows:

Closing exchange rates	Rate to 1 US$ 2021	2020
Pounds Sterling	**0.739**	0.734
Euro	**0.880**	0.820
South African Rand	**15.960**	14.713
Botswana Pula	**11.734**	10.791
Indian Rupee	**74.509**	73.064
Israeli Shekel	**3.110**	3.216

Finance and operating leases

Where the company has substantially all the risks and rewards of ownership of an asset subject to a lease, the lease is treated as a finance lease. Other leases are treated as operating leases. Future instalments payable under finance leases, net of finance charges, are included in creditors with the corresponding asset values recorded in tangible fixed assets and depreciated over the shorter of their estimated useful lives or their lease terms. Payments are apportioned between the finance element, which is charged to the income statement account as interest and the capital element, which reduces the outstanding obligation for future instalments. Operating lease payments are charged to the income statement account in equal annual amounts over the period of the leases.

Pension costs and other post-retirement benefits

Contributions to the Company's defined contribution scheme are charged to the income statement account in the year in which they become payable.

Pension scheme assets are measured using fair values. Pension scheme liabilities are measured using a projected unit method and discounted at the current rate of return on a high quality corporate bond of equivalent term to the liability. Each pension scheme surplus (to the extent that it is recoverable) or deficit is recognised in full as a pension asset or liability as appropriate. The movement in the scheme surplus/deficit is split between operating and financing items in the income statement account and the statement of comprehensive income. The full service cost of the pension provision is charged to operating profit. The net impact of the unwinding of the discount rate on scheme liabilities and the expected return on the scheme assets is charged/credited to other finance costs.

Once the pension scheme moved into the 'buy out' phase, the Surplus remaining in the Scheme became available to return to the Company. Therefore, the surplus is recognised within current assets at the balance sheet date. Associated movements were recognised within other comprehensive income.

Reserves

The company's reserves are as follows:

- Called up share capital reserve represents the nominal value of the shares issued; and
- Profit and loss reserve represents cumulative profits or losses, net of dividends paid and other adjustments.

Financial instruments

The company does not actively use financial instruments as part of its financial risk management. It is exposed to the usual credit risk and cash flow risk associated with selling on credit and manages this through robust credit control procedures. The nature of its financial instruments means that the price risk to which they are subjected is minimal. The company carries out cash flow and working capital monitoring which together with regular cash flow forecasting ensures that it has adequate cash to manage the liquidity risk to which it is exposed. The company does not use derivative financial instruments for speculative purposes.

2 Judgements in applying accounting policies and key sources of estimation uncertainty

In preparing these financial statements the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered relevant. Actual results may differ from these estimates. Those material judgements are the following:

Intangible assets (see note 4)

Intangible fixed assets, are amortised over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

The directors have also considered whether there are any indicators of impairment. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset.

Tangible assets (see note 5)

Tangible fixed assets, other than investment properties, are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

I Hennig company holds an investment property rented to a third party. It is deemed that there is no reliable or economically obtainable fair valuation for this asset due to the low frequency of rental or property trading activity in the local market, therefore the asset has continued to be recognised at cost less depreciation.

Fixed asset investments (see note 6)

The most critical estimates, assumptions and judgements relate to the determination of carrying value of unlisted investments at amortised cost, rather than using the equity method.

The directors have also considered whether there are any indicators of impairment. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the investment.

Retirement benefit liabilities (see note 9)

The pension liability consists of numerous estimates made by the actuary and reviewed by the directors. The directors rely on this expert opinion for both advice and periodic review of the actuarial assumptions, however due to the estimations involved material variances can occur over time.

3 Employees

The average monthly number of employees (including directors) during the year was as follows:

	2021	2020
Brokers	**7**	6
Administrative staff	**8**	9
	15	15

4 Intangible assets

	IT Development $
Cost	
At 1 January 2021	420,481
Additions	110,888
At 31 December 2021	**531,369**
Amortisation	
At 1 January 2021	90,839
Charge for the year	160,105
At 31 December 2021	**250,944**
Impairment	
At 1 January 2021	-
Charge for the year	238,533
At 31 December 2021	**238,533**
Net book value	
At 31 December 2021	**41,892**
At 31 December 2020	329,642

All development costs relate to the development of an online platform for diamonds and a mobile app.

5 Tangible assets

	Short term leasehold improvements $	Motor vehicles and equipment $	Total $
Cost			
At 1 January 2021	**170,237**	**141,327**	**311,564**
Exchange adjustment	(7,416)	(2,212)	(9,628)
Additions	-	8,092	8,092
Disposals	-	-	-
At 31 December 2021	**162,821**	**147,207**	**310,028**
Depreciation			
At 1 January 2021	**170,237**	**128,141**	**298,378**
Exchange adjustment	(7,416)	(2,025)	(9,441)
Charge for the year	-	11,062	11,062
Disposals	-	-	-
At 31 December 2021	**162,821**	**137,178**	**299,999**
Net book value			
At 31 December 2021	**-**	**10,029**	**10,029**
At 31 December 2020	-	13,186	13,186

During the year, the I Hennig Company held an investment property rented to a third party. It has been deemed that there is no reliable or economically obtainable fair valuation for this asset due to the low frequency of rental or property trading activity in the local market (which therefore makes it impossible to determine a reliable yield), therefore the asset has continued to be recognised at amortised cost.

The property had an original cost of £142,745 in the year ended 31 December 1979 and has a net book value of $NIL.

6 Fixed asset investments

	2021 $	2020 $
Subsidiary undertakings	**213,360**	213,360
Investments in joint venture	**-**	-
Other investments	**-**	-
Net book value	**213,360**	213,360

Subsidiary undertakings	**$**
Cost	
At 1 January 2021 & 31 December 2021	**3,114,012**
Provisions	
At 1 January 2021 & 31 December 2021	**2,900,652**
Net book value	
At 31 December 2021	**213,360**
At 31 December 2020	213,360

6 Fixed asset investments *(continued)*
Investments in joint ventures

	$
Cost	
At 1 January 2021	**1,041,140**
Additions	960,000
At 31 December 2021	**2,001,140**
Share of retained losses	
At 1 January 2021	-
Loss for the year	-
At 31 December 2021	-
Provisions	
At 1 January 2021	**(1,041,140)**
Provision for the year	(960,000)
At 31 December 2021	**(2,001,140)**
Net book value	
At 31 December 2021	-
At 31 December 2020	-

Investments in associates were reclassified as investments in joint ventures in the current year. This has not had any impact on the reported total comprehensive loss or financial position of the prior period as the accounting treatment is the same.

Other investments

	Unlisted Investments $
Cost	
At 1 January 2021 & 31 December 2021	**386,473**
Provisions	
At 1 January 2021 & 31 December 2021	**386,473**
Net book value	
At 1 January 2021 & 31 December 2021	-

6 Fixed asset investments *(continued)*

I Hennig & Co Limited has investments in the following companies:

Name	Country of Incorporation	%*	Nature of business
I Hennig & Co (USA) Ltd	USA	100	Agency company
I Hennig & Co (Pty) Ltd	Botswana	100	Agency company
I Hennig & Co (Overseas) Ltd	Israel	100	Agency company
Diamond Realisations Ltd	England & Wales	100	Investment holding company
Clemente Business Ltd	British Virgin Islands	100	Investment holding company
I Hennig Belgium & Co (Belgium) NV	Belgium	100	Diamond merchants
Diamond Realisations (Overseas) Ltd	Israel	100	Diamond merchants
Diamond Realisations (India) Pvt Ltd	India	100	Diamond merchants
Diamond Realisations (South Africa) Pty Ltd	South Africa	100	Diamond merchants
Lucy Platforms Limited	Israel	56	Technology

** Proportion of voting rights and ordinary share capital held, except for Lucy Platforms Limited (where voting rights are equally split)*

7 Debtors

	2021 $	2020 $
Amounts falling due within one year:		
Trade debtors	**133,583**	295,028
Amounts owed by subsidiary undertakings	**540,084**	694,178
Corporation tax	**54,828**	-
Other debtors	**132,142**	79,189
VAT	**8,873**	19,109
Prepayments	**197,586**	177,403
Pension surplus (note 9)	**447,033**	-
	1,514,129	1,264,907
Amounts falling due after more than one year:		
Deferred tax asset (note 10)	**179,319**	88,784
	179,319	88,784
Total debtors	**1,693,448**	1,353,691

8 Creditors: amounts falling due within one year

	2021 $	2020 $
Trade creditors	**91,076**	46,963
Amounts owed to subsidiary undertakings	**683,312**	1,162,390
Other taxation and social security	**62,966**	74,445
Other creditors	**3,051**	3,097
Accruals and deferred income	**90,914**	98,131
	931,319	1,385,026

9 Retirement benefits

The company has four different classes of retirement benefits:

- A defined contribution pension scheme
- A funded defined benefit pension scheme
- Unfunded post-retirement health insurance
- Other unfunded defined benefit pensions

In the first class of benefit, the "defined contribution pension scheme", contributions are charged to the income statement account in the year in which they become payable.

The second class of benefit, the "funded defined benefit pension scheme", operates through the Company. The scheme closed to new members in 2003, from 1 April 2009 it ceased accruing further benefits for active members of the scheme and on 27 Mar 2020 the Trustee entered a Bulk Purchase Annuity agreement ('BPA') with an Insurance Provider.

The funded defined benefit scheme is administered by a corporate trustee and its funds are independent of the Company's finances.

On 17th December 2021 the scheme made the final premium payment in respect of the 'buy-out'. On 29th June 2022 the plan repaid a net surplus of £330,476 ($400,600 at the rate on the date of the transaction being 1.212) back to the Company. This amount was net of tax related to the surplus. The scheme has not yet been wound up, although is expected to be by 30th September 2022.

The third class of benefit, "post-retirement health insurance", pays for the costs of healthcare for life for some retirees and their spouses. Currently the arrangement is insured through, and premiums are paid to, BUPA. Any excess payments due on claims are reimbursed by the Company. The premiums paid in 2021 were approximately $17,500. The scheme is closed to new members and no current employees have been promised post retirement healthcare benefits. The benefits are not funded in advance of premium payments being required. The net liability in relation to this scheme is $239,000 (2020: $311,000). The actuarial assumptions were in line with those disclosed.

The fourth class of benefit, the "other unfunded defined benefit pensions", represents unfunded pension obligations to the company of 7 individuals (2020: 8). The total unfunded pension obligation is $2,226,225 (2021: 2,415,509). Certain non-UK jurisdictions require the accrual of gratuity liabilities, these are calculated locally based on expertise within the jurisdiction. The total liability in respect of the gratuity scheme is $68,568 (2020: $84,744).

These last three types of retirement benefit have been accounted for as defined benefit schemes. Accordingly, liabilities have been calculated using the projected unit valuation method and scheme assets are valued at fair value. The rest of this note gives further information about these three schemes.

9 Retirement benefits *(continued)*

	2021 $	2020 $
Reconciliation of present value of plan liabilities		
At the beginning of the year	**31,305,250**	32,180,756
Interest cost	**386,871**	632,159
Actuarial (gains)	**(877,899)**	(243,872)
Benefits paid	**(515,850)**	(2,054,434)
Settlements	**(27,048,487)**	-
Exchange (gains) / losses	**(1,092,228)**	786,641
At the end of the year	**2,157,657**	31,301,250
Composition of plan liabilities		
Schemes wholly or partly funded	**-**	28,970,485
Schemes unfunded	**2,157,657**	2,330,765
	2,157,657	31,301,250
Reconciliation of fair value of plan assets		
At the beginning of the year	**29,791,605**	33,251,682
Interest income on plan assets	**371,991**	664,857
Return on assets, excluding interest income	**(630,356)**	(3,080,415)
Contributions by company	**92,062**	191,981
Benefits paid	**(515,850)**	(2,054,434)
Settlements	**(27,048,487)**	-
Exchange (losses) / gains	**(1,106,267)**	817,934
At the end of the year	**954,698**	29,791,605
Fair value of plan assets	**954,698**	29,791,605
Irrecoverable surplus	**(507,665)**	(821,120)
Present value of plan liabilities	**(2,157,657)**	(31,301,250)
Net pension scheme liability	**(1,710,624)**	(2,330,765)
Reconciliation of liability		
Unfunded pension scheme liability	**2,157,657**	2,330,765
Gratuity liability	**68,568**	84,744
Retirement benefits liability	**2,226,225**	2,415,509

9 **Retirement benefits** *(continued)*	**2021** **$**	**2020** **$**
Amounts recognised in the profit and loss administration expenses are as follows:		
Net interest on the net defined benefit liability	**(32,236)**	(12,554)
Analysis of actuarial (gain) / loss recognised in other comprehensive income		
Actuarial (gain) on the liabilities	**(888,629)**	(239,930)
Return on assets, excluding interest income	**630,356**	3,080,415
Change in the amount of surplus that is not recoverable, excluding interest income	**(282,309)**	(2,599,483)
	(540,582)	241,002
Composition of plan assets		
MA fund*	**-**	1,024,759
Insured annuities	**-**	28,766,846
Cash	**930,477**	-
Total plan assets	**930,477**	29,791,605
Actual loss on plan assets (excluding interest income)	**630,356**	3,080,415

* *Multi Asset Fund*

	2021 **%**	**2020** **%**
Principal actuarial assumptions used at the year end date		
Discount rates	**1.80**	1.20
Inflation assumption (RPI)	**3.40**	2.90
Inflation assumption (CPI)	**N/A**	2.20
LPI pension increases	**N/A**	2.90
Long-term healthcare inflation	**5.90**	5.40
Assumed life expectancies on retirement at age 60 are:		
- Retiring today – Males	**28.6**	28.9
- Retiring today – Females	**29.6**	30.0
- Retiring in 20 years time – Males	**30.0**	30.3
- Retiring in 20 years time – Females	**31.4**	31.5

A full actuarial valuation of the defined benefit scheme was carried out at 31 December 2020 by a qualified independent actuary. Contributions to the scheme are made by the company based on the advice of the actuary

10 Deferred tax

	2021
	$
The movements in deferred tax assets were as follows:	
Asset as at 1 January 2021	**88,784**
Amount credited to the income statement account	90,535
Amount credited to the statement of comprehensive income	-
Asset as at 31 December 2021	**179,319**
Reported in these financial statements within:	
Debtors falling due within one year	-
Debtors falling due after more than one year	179,319
Total deferred tax balance	**179,319**

	2020
	$
The movements in deferred tax assets were as follows:	
Asset as at 1 January 2020	-
Amount credited to the income statement account	88,784
Amount credited to the statement of comprehensive income	-
Asset as at 31 December 2020	88,784
Reported in these financial statements within:	
Debtors falling due within one year	-
Debtors falling due after more than one year	88,784
Total deferred tax balance	88,784

The elements of the deferred tax balance are as follows:

	Company 2021	**Company 2020**
	$	**$**
Accelerated capital allowances	**4,815**	7,592
Other timing differences	**174,504**	81,192
Total deferred tax asset	**179,319**	88,784

11 Share capital

	2021	2020
	$	$
Allotted, called up and fully paid		
68,000 ordinary shares of £1 each	**121,067**	121,067

12 Commitments under operating leases

As at 31 December 2021, the company had annual commitments under non-cancellable operating leases as set out below:

	2021	2020
Company	$	$
Operating leases which expire:		
Within one year	9,800	17,711
After one year but less than five years	-	-
	9,800	17,711

13 Contingent Liabilities

The Company has entered into a guarantee on behalf of Lucy Platforms Limited, guaranteeing liabilities up to $500,000.

14 Related party transactions

The company has taken advantage of the exemption under paragraph 33.1a of FRS 102 not to disclose any transactions entered into between two or more members of a company where any subsidiary undertaking which is party to the transaction is wholly owned by a member of that company.

Transactions & balances with joint ventures
During the period I Hennig & Co Ltd charged Lucy Platforms Ltd (an associate) $NIL (2020: $241,140) for services provided during the year. Lucy Platforms Ltd settled the balance in exchange for shares.

During the period the company loaned Lucy Platforms Ltd $640,000 (2020: $NIL). The interest charged on this loan was $12,337 (2020: $NIL). The balance was fully provided for at the year end.

Transactions with directors
At times the managing director is required to incur work expenditure personally to be later reimbursed, during the year transactions are summarised are as follows:

	2021	2020
	$	$
Balance at 1 January owed (by) / to I Hennig & Co Ltd	-	-
Recharged expenditure by director	(2,172)	(3,573)
Reimbursement payments made to director	2,166	3,560
Foreign exchange on historic balances	-	13
Balance at 31 December 2021 owed (by) I Hennig & Co Ltd	(5)	-

15 Ultimate parent undertaking

The directors regard Hattron Limited, a company registered in England and Wales, as the company's immediate parent undertaking.

Copies of that company's financial statements are available from Companies House, Crown Way, Maindy, Cardiff, CF4 3UZ.

St Marks Associates Limited, a company incorporated in the Isle of Man, is, in its capacity as trustee of the Elpis Trust, considered to be the ultimate controlling party of I Hennig & Co Limited.

16 Audit report

An audit of the company's financial statements was carried out by BDO LLP as statutory auditor, who reported to the company's members on 28th September 2022.

The auditor's report was signed by Mark McCluskey as senior statutory auditor and was qualified.

The following qualification was noted, "Basis for qualified opinion - The company undertook a buy-in and buy-out of the Hattron Pension Scheme over the last 2 years. An appropriately detailed actuarial report quantifying the financial entries related to this event has not been obtained. Therefore, it is not possible to establish the completeness of the accounting entries between profit and loss and other comprehensive income and related disclosure. The balance sheet position is supported. We were unable to satisfy ourselves by alternative means concerning the split between the profit and loss account and other comprehensive income or whether some of the entries should have been made in the prior year, by using other audit procedures. Consequently, we were unable to determine whether any adjustment was necessary."

17 Subsequent events

On 17th December 2021 the scheme made the final premium payment in respect of the 'buy-out'. On 29th June 2022 the plan repaid a net surplus of £330,476 ($400,600 at the rate on the date of the transaction being 1.212) back to the Company. This amount was net of tax related to the surplus. The scheme has not yet been wound up, although is expected to be by 30th September 2022.

Subsequent to the year end, the Company has loaned a further $2 million to Lucy Platforms Limited.

On 24th February 2022 Russia invaded Ukraine. The impacts of the invasion have had no material impact on the Company.