

Registration number: 02780169

STRAND HANSON LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

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STRAND HANSON LIMITED

CONTENTS

Company Information	1
Strategic Report	2 to 6
Directors' Report	7
Statement of Directors' Responsibilities	8
Independent Auditor's Report	9 to 11
Profit and Loss Account	12
Balance Sheet	13
Statement of Changes in Equity	14
Statement of Cash Flows	15
Notes to the Financial Statements	16 to 27

STRAND HANSON LIMITED

COMPANY INFORMATION

Directors James Harris
Rory Murphy
Simon Raggett
Lord Anthony St. John
Simon Whamby
Angela Hallett
James Spinney

Registered office 26 Mount Row
London
W1K 3SQ

Auditors Hazlewoods LLP
Staverton Court
Cheltenham
GL51 0UX

STRAND HANSON LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

The directors present their strategic report for the year ended 31 December 2022.

Principal activity

The principal activity of the Company is the provision of corporate finance and related advisory services.

Fair review of the business

Following Russia's invasion of Ukraine in February, 2022 saw a return to more challenging market conditions with a combination of unfavourable macroeconomic factors, weakening stock market valuations and general market uncertainty, giving rise to a challenging fundraising environment.

After the exceptionally strong performance in 2021 in terms of both share price performance and fundraising activity, the AIM market had a difficult year in 2022, with the FTSE AIM All-Share index falling by 30.7%. This was the worst performance for the index since 2008. In addition, IPO activity fell significantly, both in terms of number of listings and funds raised.

There were a number of factors that contributed to the decline in the AIM market, including:

The global economic slowdown. The global economy grew at its slowest pace in decades in 2022, due to a combination of factors, including the war in Ukraine, rising inflation leading to the tightening of monetary policy, ongoing global supply chain issues and weaker consumer spending due to increasing energy prices. This slowdown led to a decline in investor confidence, which weighed more heavily on the AIM market due to its weighting towards earlier stage companies.

The poor performance of technology and biotech stocks. These shares had benefited from significant gains in the previous year but 2022 saw a correction as these share price gains were not supported by underlying revenues or earnings leading investors to flock to larger and more established investments. Mining and oil and gas shares on the other hand performed relatively well, benefiting from the high oil price and strong commodity prices boosted by a surge in the US dollar.

As a result of these market conditions, and in common with our peers, we experienced a significant slowdown in the level of corporate activity, particularly with regard to AIM admissions compared to 2021. Notwithstanding this, we successfully concluded several admissions to the Standard List of the Main Market and a further RTO on that market during the year and we have also continued to see a good level of ordinary course corporate activity amongst our retained clients, such as acquisitions and disposals, related party transactions and secondary placings, enabling us to maintain a solid level of advisory fee income.

In the current uncertain global environment, we are seeing a similar trend to 2020, with a solid pipeline of transactions, including several high-value IPOs and RTOs. However, these transactions are taking longer to execute, particularly those that require equity financing, as market participants are waiting for uncertainty and volatility to subside before committing to new investments. In an effort to mitigate some of the risk if a transaction fails at the marketing/fundraising stage after the bulk of our work has been completed, we have sought to implement staged payment fee structures on the majority of larger corporate transactions.

We expect the market to recover, and we are confident that our solid pipeline of transactions will result in successful outcomes for our clients. In the meantime, we are working closely with our clients to help them navigate the current market conditions and achieve their strategic goals.

In April 2022, one of our peers in the Nomad/ broking community, Arden Partners relinquished its Nomad status as a result of a recommended takeover by Ince Group PLC. Strand was the principal beneficiary of the resulting redistribution of their AIM clients and, accordingly we were appointed as Nomad to eight of their AIM-listed clients across a range of sectors. This brought our total number of retained clients to 59 at 31 December 2022, including two on the Standard List – whilst this number has dipped slightly in 2023, there are a number of new clients in the process of nomad take-on. In turn, this has resulted in a material increase in recurring retainer fee income which underpins a considerable proportion of our overhead base. As with our existing client base, we expect to benefit from additional advisory fees being generated from these new clients in the future.

Conditions also continued to be challenging in our M&A division with several transactions being aborted due to the ongoing uncertainty and unfavourable market conditions. However, despite this we were able to conclude a number of transactions during the year and we have a number of mandated and pre-mandated transactions in our current pipeline; although these too are progressing slowly until an improvement in market conditions is seen.

The strong performance of the financial services industry in 2021 led to an exceptionally tight labour market in 2022, with considerable challenges recruiting and retaining staff across the sector throughout the year.

STRAND HANSON LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

Our staff are our most valuable asset and fundamental both to maintaining the high level of service on which we pride ourselves in providing to our clients, and to our internal culture; making Strand Hanson a desirable place to work.

As an owner-managed firm with no external shareholders, our primary focus is to build the business for the future. Ensuring that our employees are appropriately remunerated and rewarded for prior performance is a significant factor in retaining this talent to do so.

Cash management is key to the ongoing financial health of our firm, and as such we work to ensure that sufficient cash / liquidity is retained for current and anticipated future requirements. Taking this into account, and given our shareholder structure, we are fortunate to be able to take a longer-term view on incentivisation - and are therefore able to remunerate personnel as deserved, whether or not this may from time to time result in a statutory loss for the financial period in question.

We continue to focus primarily on the AIM market, advising clients on a range of ECM and M&A transactions, across diverse sectors and geographies but with a continued focus on emerging markets, which remains a key area of expertise for the Group, together with an increasing emphasis on healthcare, which as noted above was one of the better performing sectors during the year. In addition, during the year we established a debt advisory practice, focused on arranging debt financing for a variety of sectors, geographies, and currencies. Our debt advisory practice caters to corporate borrowers looking to borrow from £5m up to £150m+ and we believe should complement our advisory offering, opening up non-equity funding options to growth businesses.

In the year ended 31 December 2022, the Group recorded a pre-tax loss of £830,607 (2021: £1.5 million profit) on turnover of £6.2 million (2021: £7.6 million), representing a 18% decrease on 2021. Before payment of staff bonuses, the Group recorded a profit of £519,313.

The results for the year have been impacted by the factors referred to above, with a reduction in the number of IPOs and RTOs which we were able to successfully conclude, staff remuneration relating to the firm's financial performance in 2021, together with the impact of the poor stock market performance on our share portfolio resulting in (material) unrealised losses being booked to the profit and loss account as this was marked to market (and an increase in bad debts).

As we have observed in previous years, given the nature of our business, it is difficult to predict future revenues from corporate transactions, particularly during times of economic uncertainty. The past year has been challenging across the market as a whole but we believe that it is beginning to show early indications of recovery and as noted above, we have a strong pipeline of transactions which we are confident we will be able to successfully conclude once market conditions improve. Based on the level of activity we have seen so far this year, the number of transactions we have already been mandated on, and the likelihood of additional mandates in the coming months, we are confident about our future trading and prospects.

The Company's key financial and other performance indicators during the year were as follows:

	Unit	2022	2021
Turnover from advisory services	£	6,229,409	7,603,759
Operating profit from advisory services	£	(332,123)	948,350
Cash at year end	£	329,369	350,089
Trade Debtors at year end	£	1,065,433	2,070,062
Retained clients at year end	No.	59	50

Principal risks and uncertainties

In common with most UK businesses, inflationary pressure in the economy and its impact on the broad economic outlook will present potential risks and challenges to the business. The directors believe that the company is well placed to respond to these risks.

STRAND HANSON LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

Section 172 statement

The Directors of the Company are required to promote the success of the Company for the benefit of the Members / Shareholders as a whole. Section 172(1) of the Companies Act 2006) expands this duty and requires the Directors to consider a broader range of interested parties when considering the promotion of the Company. This wider group of stakeholders will include employees, customers, regulators and others, and the Board will look to understand and take into account the needs of each stakeholder, although recognising that different stakeholders may have conflicting priorities and not all decisions made will be to the benefit of all stakeholder groups. When making decisions the Board should consider the following:

- the likely consequences of any decisions in the long-term;
- the interests of the Company's employees (if applicable);
- the need to foster the Company's business relationships with suppliers, customers and others;
- the impact of the Company's operations on the community and environment;
- the desirability of the Company maintaining a reputation for high standards of business conduct, and
- the need to act fairly as between members of the Company.

At every Board meeting the Directors review the performance of the Company against its strategy. The financial performance is reviewed and measured against the Key Performance Indicators as set by the Board. The compliance with existing legal and regulatory requirements are reviewed, together with any new regulations that are to be introduced or are being proposed. Any new regulations are discussed and their potential impact on the Company and its stakeholders assessed. The Board recognises the importance of, and is committed to, understanding the views of Shareholders and maintaining communication with its Shareholders in the most appropriate manner.

The Directors have identified the following groups as key stakeholders and relevant according to Section 172 Companies Act 2006:

Employees

Employees are key for the performance and development of the business. Employees are engaged and communicated with regularly on the performance, health and safety, and cultural and environmental effects of the business. Engagement is maintained with employees to ensure a strong diverse and talented workforce.

Regulators

The Company operates in an environment that is governed by legal and regulatory requirements, which prescribe what the Company can undertake and how it can operate. The two primary regulators for the Company are the Financial Conduct Authority and the London Stock Exchange. The Board recognises that the restrictions put in place by its regulators are there to protect stakeholders. The Board's view is to adopt the sentiment and ethos of the rules and regulations.

The Company seeks to ensure an open and transparent dialogue with its regulators and is mindful of its responsibilities in maintaining the integrity of the markets in which it operates. The Board continues to monitor market practice and regulatory developments, and ensures that employees undertake ongoing training on such developments, in order that we are able to guide our clients appropriately as the market evolves.

STRAND HANSON LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

Section 172 statement (continued)

Environment and Community

Due to the nature of its activities the Company has little direct impact on the community or the environment. However, as a global financial advisory company it acts for companies operating across a range of sectors and geographies. As such, Strand Hanson recognises the need to act in a way that is sustainable and responsible, striving wherever possible to make a real difference to the numerous stakeholders and communities with which it interacts.

It is important that the company recognises the areas in which it can have the greatest impact as a financial advisory company, and it approaches sustainability through three interconnected pillars:

Clients and investments - Strand Hanson considers the sustainability profile of potential clients and investments from a social and environmental as well as a financial perspective and actively encourage clients and partners to adopt corporate and environmental programmes in line with its own.

Communities - Strand Hanson provides financial and non-financial support to its communities in various ways, including donations, sponsorships and employee volunteering.

Planet - the company strives to minimise its environmental impact, encouraging schemes to improve energy efficiency and minimise waste.

Strand Hanson has selected the Atlantis Dream Team as an official corporate social investment (CSI) initiative. The Atlantis Dream Team is a registered non-profit organisation based in the Atlantis community in Cape Town, South Africa. The initiative is focused on empowering and uplifting a disadvantaged community through developing sustainable job creation programmes, basic health care, nutrition, education and training, and the promotion of human rights.

The Directors believe that they have effectively implemented their duties under section 172 of the Companies Act 2006. The Company has considered the long-term strategy of the business and consider that this strategy will continue to deliver long term success to the business and its stakeholders.

Strategy and Key Performance Indicators

The Company's principal activity is set out in this Strategic Report.

Strand Hanson is a management owned, independent, advisory led, merchant bank, providing financial and strategic advice to public and private companies, private equity and activist investors. Strand Hanson's operations are supported by a global network of advisers and consultants in Africa, South East Asia, South America and the Middle East, providing clients with local contacts who both understand their regional markets and have global capital market expertise.

Strand Hanson offers a full range of corporate finance services, including advising on flotations, fundraisings (both debt and equity), shareholder activism, restructuring and M&A. The company continues to focus primarily on the AIM market, with Strand Hanson advising clients on a range of transactions, including reverse takeovers, listings and secondary fundraisings across diverse sectors and geographies but with a continued focus on emerging markets, which remains a key area of expertise for the company.

The Company generates revenues from:

- a) Retainer fees;
- b) Advisory fees arising from corporate transactions undertaken by its clients; and
- c) Proceeds from the sales of investments held as principal.

The majority of revenues are generated in the UK, although a number of the Company's clients are based overseas.

The Company's longer-term strategy is to focus on attracting and retaining higher calibre, more active and higher growth client companies, together with enhancing its strategic partnerships to enable the Company to broaden our global reach and contacts, and provide access to a large number of opportunities, particularly in emerging markets, including Africa, the Middle East, South America and Asia.

The Company believes that the key drivers for the success of the business are its Key Performance Indicators, which are set out in this Strategic Report.

STRAND HANSON LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

Financial instruments

Objectives and policies

The company's financial instruments comprise cash and liquid resources, and various other items such as trade debtors and trade creditors etc. that arise directly from its operations. The main purpose of these financial instruments is to finance the operations of the company. The main risks arising from the company's financial instruments are set out below.

Price risk, credit risk, liquidity risk and cash flow risk

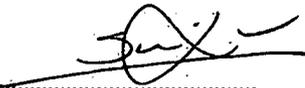
Liquidity risk - the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Company's principal liquidity risk is to ensure that it has sufficient liquid assets to meet the regulatory capital requirements of its authorisation with the Financial Conduct Authority. This is closely monitored on a monthly basis and unencumbered cash resources are retained in order to meet this requirement.

Cash flow risk - the risk of exposure to variability in cash flows that is attributable to a particular risk associated with a recognised asset or liability such as future interest payments on a variable rate loan or changes in exchange rates. The company has limited exposure to cash flow risk and limited transactions in foreign currency. The company has net cash resources and is therefore not at risk from increases in interest rates. Surplus funds are placed in short term fixed rate deposits, which are reviewed at least monthly.

Credit risk - the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the company. The company's credit risk is primarily attributable to its trade receivables. The company's policies are aimed at minimising such losses, and require that deferred terms are only granted to customers that satisfy the company's internal credit worthiness procedures. The amounts presented in the balance sheet are, where appropriate, net of allowances for doubtful receivables. An allowance for impairment is made where there is an identified loss event which, based on previous experience, is evidence of a reduction in the recoverability of the cash flows. The credit risk on liquid funds is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

Price risk - the risk that the fair value of a financial asset will fluctuate because of changes in market prices (other than those due to interest rates and currency). The company has no significant exposure to price risk, other than in respect to changes in the market value of its investments held for trading.

Approved by the Board on 21/9/23 and signed on its behalf by:



Simon Raggett
Director

STRAND HANSON LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF STRAND HANSON LIMITED

Opinion

We have audited the financial statements of Strand Hanson Limited (the 'Company') for the year ended 31 December 2022, which comprise the Profit and Loss Account, Balance Sheet, Statement of Changes in Equity, Statement of Cash Flows, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2022 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the director's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the original financial statements were authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit

- the information given in the Strategic Report and Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and Directors' Report have been prepared in accordance with applicable legal requirements.

STRAND HANSON LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF STRAND HANSON LIMITED

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and the Directors' Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities set out on page 8, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Extent to which the audit was capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We considered the nature of the company's industry and its control environment and reviewed the company's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management about their own identification and assessment of the risks of irregularities.

We obtained an understanding of the legal and regulatory framework that the company operates in and identified the key laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements, including the UK Companies Act and tax legislation, and, those that do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty.

We discussed among the audit engagement team regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgments made in accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatements due to fraud;.

STRAND HANSON LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF STRAND HANSON LIMITED

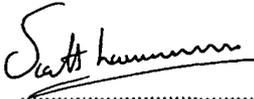
- enquiring of management concerning actual and potential litigation and claims and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities is available on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.



.....
Scott Lawrence (Senior Statutory Auditor)
For and on behalf of Hazlewoods LLP, Statutory Auditor

Staverton Court
Cheltenham
GL51 0UX

28/09/2023
Date:.....

STRAND HANSON LIMITED**PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2022**

	Note	2022 £	2021 £
Turnover	3	6,229,409	7,603,759
Cost of sales		<u>(387,471)</u>	<u>(691,673)</u>
Gross profit		5,841,938	6,912,086
Administrative expenses		(6,511,159)	(5,963,736)
Other operating (losses)/income	4	<u>(143,622)</u>	<u>587,828</u>
Operating (loss)/profit	5	(812,843)	1,536,178
Other interest receivable and similar income		361	44
Interest payable and similar charges	7	<u>(18,125)</u>	<u>(35,551)</u>
(Loss)/profit before tax		(830,607)	1,500,671
Taxation	10	<u>204,637</u>	<u>(282,480)</u>
(Loss)/profit for the financial year		<u><u>(625,970)</u></u>	<u><u>1,218,191</u></u>

The above results were derived from continuing operations.

The company has no other comprehensive income for the year.

The notes on pages 16 to 27 form an integral part of these financial statements.

STRAND HANSON LIMITED

**(REGISTRATION NUMBER: 02780169)
BALANCE SHEET AS AT 31 DECEMBER 2022**

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	11	37,369	26,202
Investments	12	<u>111</u>	<u>111</u>
		<u>37,480</u>	<u>26,313</u>
Current assets			
Debtors	13	3,262,963	4,757,809
Investments	14	1,950,124	2,081,306
Cash at bank and in hand		<u>329,369</u>	<u>350,089</u>
		5,542,456	7,189,204
Creditors: Amounts falling due within one year	15	<u>(976,154)</u>	<u>(1,985,765)</u>
Net current assets		<u>4,566,302</u>	<u>5,203,439</u>
Net assets		<u>4,603,782</u>	<u>5,229,752</u>
Capital and reserves			
Called up share capital	18	650,179	650,179
Share premium reserve	19	1,051,914	1,051,914
Capital redemption reserve	19	997,588	997,588
Other reserves	19	(798,515)	(798,515)
Profit and loss account	19	<u>2,702,616</u>	<u>3,328,586</u>
Total equity		<u>4,603,782</u>	<u>5,229,752</u>

Approved and authorised by the Board on 21/9/25 and signed on its behalf by:


.....
Simon Raggett
Director

The notes on pages 16 to 27 form an integral part of these financial statements.

STRAND HANSON LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2022

	Share capital £	Share premium £	Capital redemption reserve £	Other reserves £	Profit and loss account £	Total £
At 1 January 2021	650,179	1,051,914	997,588	(798,515)	2,110,395	4,011,561
Profit for the year	-	-	-	-	1,218,191	1,218,191
At 31 December 2021	<u>650,179</u>	<u>1,051,914</u>	<u>997,588</u>	<u>(798,515)</u>	<u>3,328,586</u>	<u>5,229,752</u>

	Share capital £	Share premium £	Capital redemption reserve £	Other reserves £	Profit and loss account £	Total £
At 1 January 2022	650,179	1,051,914	997,588	(798,515)	3,328,586	5,229,752
Loss for the year	-	-	-	-	(625,970)	(625,970)
At 31 December 2022	<u>650,179</u>	<u>1,051,914</u>	<u>997,588</u>	<u>(798,515)</u>	<u>2,702,616</u>	<u>4,603,782</u>

The notes on pages 16 to 27 form an integral part of these financial statements.

STRAND HANSON LIMITED

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2022

	Note	2022 £	2021 £
Cash flows from operating activities			
(Loss)/profit for the year		(625,970)	1,218,191
Adjustments to cash flows from non-cash items			
Depreciation and amortisation	5	10,985	4,814
Gains on investments		143,622	(587,828)
Finance income		(361)	(44)
Finance costs	7	18,125	35,551
Income tax expense	10	<u>(204,637)</u>	<u>282,480</u>
		(658,236)	953,164
Working capital adjustments			
Decrease/(increase) in trade and other debtors		1,453,843	(2,557,346)
Decrease in trade and other creditors		(714,016)	(100,397)
Net acquisitions and sales of investments		<u>734,280</u>	<u>590,473</u>
Cash generated from operations		815,871	(1,114,106)
Income taxes paid		<u>(796,675)</u>	<u>(328,478)</u>
Net cash flow from operating activities		<u>19,196</u>	<u>(1,442,584)</u>
Cash flows from investing activities			
Interest received		361	44
Acquisitions of tangible assets		<u>(22,152)</u>	<u>(23,710)</u>
Net cash flows from investing activities		(21,791)	(23,666)
Cash flows from financing activities			
Interest paid		<u>(18,125)</u>	<u>(35,551)</u>
Net decrease in cash and cash equivalents		(20,720)	(1,501,801)
Cash and cash equivalents at 1 January		<u>350,089</u>	<u>1,851,890</u>
Cash and cash equivalents at 31 December		<u>329,369</u>	<u>350,089</u>

The notes on pages 16 to 27 form an integral part of these financial statements.

STRAND HANSON LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

1 General Information

The Company is a private company limited by share capital, incorporated in England and Wales.

The address of its registered office is:

26 Mount Row
London
W1K 3SQ

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements were prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland and the Companies Act 2006'.

Basis of preparation

These financial statements have been prepared using the historical cost convention except for, where disclosed in these accounting policies, certain items that are shown at fair value.

The presentational currency of the financial statements is Pounds Sterling, being the functional currency of the primary economic environment in which the Company operates. Monetary amounts in these financial statements are rounded to the nearest Pound.

Going concern

Whilst there continues to be macroeconomic environment nationally and globally, as noted previously, recent years have also been similarly affected by general market uncertainty, arising from, amongst other things the Coronavirus pandemic, Brexit delays and the political instability in the UK. However, based on the level of activity in the year to date and the number of transactions currently mandated and expect shortly to be mandated, and, consistent with previous years, the likelihood that additional corporate transactions will be mandated during the remainder of the year, together with levels of recurring revenue, the directors remain optimistic as to future trading and prospects despite current market uncertainty.

In considering the going concern status of the Company, the directors have reviewed mandated recurring and transactional advisory revenue, committed expenditure, liquidity forecasts and available liquid resources as at the date of approving the financial statements. The directors therefore have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future and have continued to adopt the going concern basis in preparing the financial statements.

Exemption from preparing group accounts

The Company is exempt from the requirement to prepare group accounts under section 405 of the Companies Act 2006 since its subsidiary undertakings can be excluded from consolidation by virtue of being dormant and immaterial to the group.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amounts 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 to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

STRAND HANSON LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

Warrants

The directors have made key assumptions regarding the valuations of warrants to acquire shares in a number of companies whose shares are traded on the AIM of the London Stock Exchange. The directors have carried out a detailed review of warrant instruments held, applying the Black-Scholes valuation methodology. For warrants where the underlying company has published announcements outlining positive progress in the natural resource exploration giving greater certainty over future economic in flow of benefits a value is recognised in the financial statements. For the warrant instruments with no such public announcement and in view of the fact that the warrants relate to investments in small AIM listed companies, a number of which were pre-revenue as at the balance sheet date and in the field of natural resource exploration, the directors have taken the view that the fair value of the warrants at the balance sheet date is not material to the financial statements and therefore no value has been attributed.

Unquoted Investments

The directors have also made key assumptions regarding the valuations of unquoted investments. The directors have considered the fair value of each unquoted investment and consider them to be materially fairly stated either at original cost or after making full provisions for impairment. The valuation of the unquoted investments at the reporting date is shown in note 14.

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the Company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts.

The Company recognises revenue when:

The amount of revenue can be reliably measured;

it is probable that future economic benefits will flow to the entity;

and specific criteria have been met for each of the Company's activities.

Foreign currency transactions and balances

Transactions in foreign currencies are initially recorded at the functional currency rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated into the respective functional currency of the entity at the rates prevailing on the reporting period date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the initial transaction dates.

Non-monetary items measured in terms of historical cost in a foreign currency are not retranslated.

Tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except that a charge attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates taxable income.

Deferred tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements and on unused tax losses or tax credits in the company. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

The carrying amount of deferred tax assets are reviewed at each reporting date and a valuation allowance is set up against deferred tax assets so that the net carrying amount equals the highest amount that is more likely than not to be recovered based on current or future taxable profit.

Tangible assets

Tangible assets are stated in the balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

STRAND HANSON LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Land and buildings leasehold	4 3/4 years on cost
Fixtures, fittings and equipment	2 to 4 years on cost
Computer equipment	2 years on cost

Investments

Investments in equity shares which are publicly traded or where the fair value can be measured reliably are initially measured at cost, with changes in fair value recognised in profit or loss. Investments in equity shares which are not publicly traded and where fair value cannot be measured reliably are measured at cost less impairment.

Interest income on debt securities, where applicable, is recognised in income using the effective interest method. Dividends on equity securities are recognised in income when receivable.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade debtors

Trade debtors are amounts due from customers for services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. All debtors are repayable within one year and are hence included at the undiscounted amount of the cash expected to be received. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and all are repayable within one year and hence are included at the undiscounted amount of cash expected to be paid.

Leases

Rentals payable under operating leases are charged against income on a straight line basis over the lease term. Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight line basis over the lease term, except where the period to the review date on which the rent is first expected to be adjusted to the prevailing market rate is shorter than the full lease term, in which case the shorter period is used.

Rental income from operating leases is recognised on a straight line basis over the term of the lease.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the Company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

STRAND HANSON LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

Financial instruments

Classification

Financial instruments are classified and accounted for according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Where shares are issued, any component that creates a financial liability of the Company is presented as a liability on the balance sheet. The corresponding dividends relating to the liability component are charged as interest expenses in the profit and loss account.

Recognition and measurement

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the balance sheet when, and only when, there exists a legally enforceable right to set off the recognised amounts and the company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Impairment

Assets, other than those measured at fair value, are assessed for indicators of impairment at each balance sheet date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss as described below.

A non-financial asset is impaired where there is objective evidence that, as a result of one or more events that occurred after initial recognition, the estimated recoverable value of the asset has been reduced. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

For financial assets carried at amortised cost, the amount of an impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

For financial assets carried at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that would be received for the asset if it were to be sold at the reporting date.

Where indicators exist for a decrease in impairment loss, and the decrease can be related objectively to an event occurring after the impairment was recognised, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired financial asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

STRAND HANSON LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

3 Revenue

The analysis of the Company's revenue for the year from continuing operations is as follows:

	2022 £	2021 £
Rendering of services	<u>6,229,409</u>	<u>7,603,759</u>

The analysis of the Company's turnover by geographic region for the year is as follows:

	2022 £	2021 £
UK	4,509,827	5,047,357
North America	533,665	875,293
Europe	409,086	603,813
Australasia	448,801	518,144
Africa	122,952	199,974
Asia	78,741	117,079
Middle East	27,344	157,500
Offshore jurisdiction	73,013	64,605
South America	25,980	19,994
	<u>6,229,409</u>	<u>7,603,759</u>

4 Other operating income/losses

The analysis of the Company's other operating income for the year is as follows:

	2022 £	2021 £
Realised gains/(losses) on investments	(182,890)	784,059
Fair value movements on investments and warrants	<u>39,268</u>	<u>(196,231)</u>
	<u>(143,622)</u>	<u>587,828</u>

5 Operating profit

Arrived at after charging/(crediting):

	2022 £	2021 £
Depreciation expense	10,985	4,814
Foreign exchange losses	5,986	2,702
Operating lease expense - property	280,010	262,219
Operating lease expense - plant and machinery	<u>5,342</u>	<u>3,060</u>

STRAND HANSON LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

6 Auditors' remuneration

	2022 £	2021 £
Audit of the financial statements	<u>22,000</u>	<u>17,000</u>
Other fees to auditors		
All other non-audit services	<u>17,900</u>	<u>19,083</u>

7 Interest payable and similar expenses

	2022 £	2021 £
Interest on bank overdrafts and borrowings	154	-
Interest expense on other finance liabilities	<u>17,971</u>	<u>35,551</u>
	<u>18,125</u>	<u>35,551</u>

8 Staff costs

The aggregate payroll costs (including directors' remuneration) were as follows:

	2022 £	2021 £
Wages and salaries	3,878,029	3,754,946
Social security costs	504,276	464,157
Pension costs, defined contribution scheme	<u>174,304</u>	<u>200,363</u>
	<u>4,556,609</u>	<u>4,419,466</u>

The average number of persons employed by the Company (including directors) during the year, analysed by category was as follows:

	2022 No.	2021 No.
Fee earning staff	20	17
Administration and support	<u>2</u>	<u>4</u>
	<u>22</u>	<u>21</u>

9 Directors' remuneration

The directors' remuneration for the year was as follows:

	2022 £	2021 £
Remuneration	2,294,276	1,823,795
Contributions paid to money purchase schemes	<u>103,206</u>	<u>97,406</u>
	<u>2,397,482</u>	<u>1,921,201</u>

During the year the number of directors who were receiving benefits was as follows:

	2022 No.	2021 No.
Accruing benefits under money purchase pension scheme	<u>5</u>	<u>3</u>

STRAND HANSON LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

9 Directors' remuneration (continued)

In respect of the highest paid director:

	2022 £	2021 £
Remuneration	<u>582,159</u>	<u>682,955</u>

Cost of key management compensation

	2022 £	2021 £
Salaries and other short term employee benefits	2,123,432	2,436,461
Other long-term benefits	<u>103,206</u>	<u>138,935</u>
	<u>2,226,638</u>	<u>2,575,396</u>

10 Taxation

Tax charged/(credited) in the profit and loss account

	2022 £	2021 £
Current taxation		
UK corporation tax	(17,487)	283,235
UK corporation tax adjustment to prior periods	<u>-</u>	<u>(755)</u>
	(17,487)	282,480
Deferred taxation		
Arising from origination and reversal of timing differences	<u>(187,150)</u>	<u>-</u>
Tax (receipt)/expense in the income statement	<u>(204,637)</u>	<u>282,480</u>

The tax on profit before tax for the year is higher than the standard rate of corporation tax in the UK (2021 - lower than the standard rate of corporation tax in the UK) of 19% (2021 - 19%).

The differences are reconciled below:

	2022 £	2021 £
(Loss)/profit before tax	<u>(830,607)</u>	<u>1,500,671</u>
Corporation tax at standard rate	-	285,127
Effect of expense not deductible in determining taxable profit (tax loss)	-	9,890
Deferred tax credit from tax loss or credit	(187,150)	-
Decrease in UK and foreign current tax from adjustment for prior periods	(29,334)	(755)
Tax decrease from effect of capital allowances and depreciation	-	(5,383)
Tax increase/(decrease) from other short-term timing differences	<u>11,847</u>	<u>(6,399)</u>
Total tax (credit)/charge	<u>(204,637)</u>	<u>282,480</u>

Deferred tax

Deferred tax assets and liabilities

STRAND HANSON LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

10 Taxation (continued)

	Asset £	Liability £
2022		
Fixed asset timing differences	-	7,757
Short term timing differences	9,048	-
Losses carried forward	185,859	-
	<u>194,907</u>	<u>7,757</u>

11 Tangible assets

	Leasehold land and buildings £	Furniture, fittings and equipment £	Computer equipment £	Total £
Cost				
At 1 January 2022	37,211	413,437	148,476	599,124
Additions	-	1,702	20,450	22,152
At 31 December 2022	<u>37,211</u>	<u>415,139</u>	<u>168,926</u>	<u>621,276</u>
Depreciation				
At 1 January 2022	37,211	408,844	126,867	572,922
Charge for the year	-	1,277	9,708	10,985
At 31 December 2022	<u>37,211</u>	<u>410,121</u>	<u>136,575</u>	<u>583,907</u>
Carrying amount				
At 31 December 2022	<u>-</u>	<u>5,018</u>	<u>32,351</u>	<u>37,369</u>
At 31 December 2021	<u>-</u>	<u>4,593</u>	<u>21,609</u>	<u>26,202</u>

12 Investments in subsidiaries

Subsidiaries	£
Cost and carrying amount	
At 1 January 2022 and 31 December 2022	<u>111</u>

Details of undertakings

Details of the investments in which the Company holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking	Registered office	Holding	Proportion of voting rights and shares held	
			2022	2021
Subsidiary undertakings				
Strand Hanson Securities Limited	England and Wales	Ordinary	100%	100%
Strand Hanson (Pty) Limited	South Africa	Ordinary	100%	100%

STRAND HANSON LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

12 Investments in subsidiaries (continued)

The registered offices of the subsidiaries are as follows:

Strand Hanson Securities Limited: the same as the Company

Strand Hanson (Pty) Limited: 2nd Floor, Madison Place, Alphen Office Park, Constantia Main Road, Constantia, Cape Town 7806 South Africa

Both Subsidiary undertakings are dormant. In the opinion of the directors, the aggregate value of the Company's investments is not less than the amount included in the balance sheet.

13 Debtors

	Note	2022 £	2021 £
Trade debtors		1,065,433	2,070,062
Other debtors	21	1,260,257	1,950,689
Prepayments		488,975	487,757
Deferred tax assets	10	187,150	-
Corporation tax asset		261,148	249,301
		<u>3,262,963</u>	<u>4,757,809</u>

14 Current asset investments

		2022 £	2021 £
Other investments		1,726,162	1,550,974
Warrants at fair value		223,962	530,332
		<u>1,950,124</u>	<u>2,081,306</u>

Current asset investments combine shares which are quoted on AIM, a market operated by the London Stock Exchange plc of £1,446,663 (2021 - 1,342,265), unquoted investments of £279,498 (2021 - £208,709) and warrants to acquire shares in companies whose shares are quoted on AIM.

15 Creditors

	Note	2022 £	2021 £
Due within one year			
Loans and borrowings	16	310,975	310,975
Trade creditors		318,717	167,073
Social security and other taxes		189,956	908,491
Other creditors		37,612	25,377
Accrued expenses		67,927	227,287
Corporation tax liability		50,967	346,562
		<u>976,154</u>	<u>1,985,765</u>

STRAND HANSON LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

16 Loans and borrowings

	Note	2022 £	2021 £
Current loans and borrowings			
Loans from Directors	21	<u>310,975</u>	<u>310,975</u>

17 Pension and other schemes

The Company operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the Company to the scheme and amounted to £174,304 (2021 - £200,363).

Contributions totalling £37,489 (2021 - £25,254) were payable to the scheme at the end of the year and are included in creditors.

18 Share capital

Allotted, called up and fully paid shares

	2022		2021	
	No.	£	No.	£
Ordinary shares of £0.80 each	<u>812,724</u>	<u>650,179</u>	<u>812,724</u>	<u>650,179</u>

19 Reserves

Share premium reserve

The share premium account includes any premiums received on issue of share capital. Any transaction costs associated with the issuing of shares are deducted from share premium.

Capital redemption reserve

Represents the nominal value of shares that have been redeemed.

Other reserves

The treasury reserves represents the cost of shares in the Company repurchased and held by the Company in treasury. The number of shares held in treasury at 31 December 2022 was 151,855 (2021 - 151,855).

Profit and loss account

The Profit and Loss Account includes all current and prior year retained profits and losses.

20 Obligations under operating leases

The total of future minimum lease payments is as follows:

	2022 £	2021 £
Not later than one year	240,149	236,981
Later than one year and not later than five years	943,425	937,790
Later than five years	<u>837,348</u>	<u>1,071,026</u>
	<u>2,020,922</u>	<u>2,245,797</u>

The amount of non-cancellable operating lease payments recognised as an expense during the year was £240,149 (2021 - £236,981).

STRAND HANSON LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

21 Related party transactions

Directors' advance and credits

During the year four of the directors advanced/(received) loans to/(from) the Company. The loans are interest free and repayable on demand.

The amounts owed to/(by) each director at each period end were as follows (creditor balances recognised with Loans and Borrowings, debtor balances recognised within Other Debtors):

	2022	2021
	£	£
James Harris	95,329	95,329
Rory Murphy	215,646	215,646
Simon Raggett	(523,996)	(489,777)
Stuart Faulkner	(116,319)	(116,319)
Angela Hallett	(75,417)	(75,417)

The maximum balance owed to the company by Simon Raggett during the year was £523,996 (2021 - £489,777).

The maximum balance owed to the company by Stuart Faulkner during the year was £116,319 (2021 - £116,319).

Other related party transactions

During the year the company made the following related party transactions:

Key Management Personnel

Key management personnel are considered to be the board of directors and certain other senior staff including the managing director and chief operating officer. Details of loan relationships with directors are disclosed within this note. For details of key management personnel's remuneration, please see note 9.

22 Financial instruments

Categorisation of financial instruments

All financial assets and liabilities are measured at amortised cost. Current investments are measured at their fair value, see notes 4 and 14 for further details.

Items of income, expense, gains or losses

	Income	Expense	Net gains	Net losses
	£	£	£	£
2021				
Financial assets measured at fair value through profit or loss	-	-	587,828	-
Financial assets measured at amortised cost	-	102,312	-	-
	<u>-</u>	<u>102,312</u>	<u>587,828</u>	<u>-</u>

The total interest expense for financial liabilities not measured at fair value through profit or loss is £Nil (2021 - £35,551).

STRAND HANSON LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

23 Net debt note

	At 1 January 2022 £	Cash flows £	Other non cash changes £	As at 31 December 2022 £
Analysis of changes in net debt				
Cash and cash equivalents				
Cash	<u>350,089</u>	<u>(20,720)</u>	<u>-</u>	<u>329,369</u>
Total net debt	<u>350,089</u>	<u>(20,720)</u>	<u>-</u>	<u>329,369</u>