

Company Registration No. 06445532 (England and Wales)

**PROSDOCIMI LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 NOVEMBER 2017**



# PROSDOCIMI LIMITED

## COMPANY INFORMATION

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<b>Director</b>	Mr Dorian Prosdocimi
<b>Company number</b>	06445532
<b>Registered office</b>	1 Knightsbridge Green Level 6 London SW1X 7QA
<b>Auditor</b>	Fisher, Sassoon & Marks 43 - 45 Dorset Street London W1U 7NA
<b>Business address</b>	1 Knightsbridge Green Level 6 London SW1X 7QA

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# PROSDOCIMI LIMITED

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# PROSDOCIMI LIMITED

## STRATEGIC REPORT

**FOR THE YEAR ENDED 30 NOVEMBER 2017**

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The director presents the strategic report for the year ended 30 November 2017.

### **Fair review of the business**

The results of the year reflect the difficult trading conditions prevalent in the financial services industry.

As a service provider the director considers that the key financial risk exposures faced by the company relate to credit risk and the need to maintain sufficient liquidity to satisfy regulatory capital requirements and working capital needs. The company does not take trade positions which expose it to material price risk nor does it have a material exposure to foreign exchange movements.

The company's financial risk management objectives are therefore to minimise the key financial risks through having clearly defined terms of business with counter parties and stringent credit control over transactions with them and regular monitoring of cash flow and management accounts to ensure regulatory capital requirements are not breached and the company maintains adequate working capital.

### **Development and performance**

At the year end the company had net assets of £102,655 (2016: £143,021), inclusive of cash balances of £27,445 (2016: £105,531).

### **Key performance indicators**

The company's turnover for the period was £1,206,275 (2016: £994,627). Key performance indicator was gross profit ratio of 39% (2016: 37%) and operating loss £42,946 (2016: £6,790).

On behalf of the board



Mr Dorian Prosdocimi

Director

19/2/2018

# **PROSDOCIMI LIMITED**

## **DIRECTOR'S REPORT**

***FOR THE YEAR ENDED 30 NOVEMBER 2017***

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The director presents his annual report and financial statements for the year ended 30 November 2017.

### **Principal activities**

The principal activity of the company is that of advising and arranging deals in investments.

### **Director**

The director who held office during the year and up to the date of signature of the financial statements was as follows:

Mr Dorian Prosdocimi

### **Results and dividends**

The results for the year are set out on page 7.

No ordinary dividends were paid. The director does not recommend payment of a final dividend.

### **Financial instruments**

#### ***Liquidity risk***

The company manages its cash in order to maximise interest income and minimise interest expense, whilst ensuring the company has sufficient liquid resources to meet the operating needs of the business.

#### ***Foreign currency risk***

The company's principal foreign currency exposures arise from trading with overseas companies. Company policy permits but does not demand that these exposures may be hedged in order to fix the cost in sterling.

#### ***Credit risk***

Investments of cash surpluses, are made through banks and companies which must fulfil credit rating criteria approved by the Board.

All customers who wish to trade on credit terms are subject to credit verification procedures. Trade debtors are monitored on an ongoing basis and provision is made for doubtful debts where necessary.

### **Post reporting date events**

The board are exploring new joint ventures to return the entity to profitability.

### **Auditor**

Fisher, Sassoon & Markswere appointed auditor to the company and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a General Meeting.

### **Statement of disclosure to auditor**

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

# PROSDOCIMI LIMITED

## DIRECTOR'S REPORT (CONTINUED)

*FOR THE YEAR ENDED 30 NOVEMBER 2017*

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On behalf of the board



Mr Dorian Prodocimi

Director

Date: 19/02/2018

# **PROSDOCIMI LIMITED**

## **DIRECTOR'S RESPONSIBILITIES STATEMENT**

### ***FOR THE YEAR ENDED 30 NOVEMBER 2017***

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The director is responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the director must not approve the financial statements unless he is satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The director is responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. He is also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

# PROSDOCIMI LIMITED

## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF PROSDOCIMI LIMITED

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#### Opinion

We have audited the financial statements of Prosdocimi Limited (the 'company') for the year ended 30 November 2017 which comprise the Profit And Loss Account, the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity, the 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 FRS 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 30 November 2017 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's 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the director's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the director has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

#### Other information

The director is 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.

#### Opinions on other matters prescribed by the Companies Act 2006

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

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



# PROSDOCIMI LIMITED

## INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF PROSDOCIMI LIMITED

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### Matters on which we are required to report by exception

In the light of the 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 Director's 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 director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

### Responsibilities of director

As explained more fully in the Director's Responsibilities Statement, the director is 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 director is 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 director 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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's 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.

  
Jonathan Marks (Senior Statutory Auditor)  
for and on behalf of Fisher, Sassoon & Marks

Chartered Accountants  
Statutory Auditor

14/2/2018

43 - 45 Dorset Street  
London  
W1U 7NA

# PROSDOCIMI LIMITED

## PROFIT AND LOSS ACCOUNT

**FOR THE YEAR ENDED 30 NOVEMBER 2017**

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	Notes	2017 £	2016 £
Turnover	3	1,206,275	994,627
Administrative expenses		(1,244,018)	(995,740)
		<hr/>	<hr/>
Operating loss	4	(37,743)	(1,113)
Interest receivable and similar income	7	4	105
Amounts written off investments	8	(5,207)	(5,782)
		<hr/>	<hr/>
Loss before taxation		(42,946)	(6,790)
Tax on loss	9	2,580	(950)
		<hr/>	<hr/>
Loss for the financial year		<u>(40,366)</u>	<u>(7,740)</u>

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The Profit And Loss Account has been prepared on the basis that all operations are continuing operations.

# PROSDOCIMI LIMITED

## STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 NOVEMBER 2017

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	2017 £	2016 £
Loss for the year	(40,366)	(7,740)
Other comprehensive income	-	-
Total comprehensive income for the year	<u>(40,366)</u>	<u>(7,740)</u>

# PROSDOCIMI LIMITED

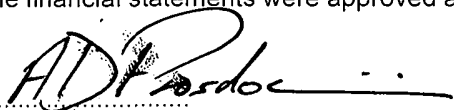
## BALANCE SHEET

AS AT 30 NOVEMBER 2017

	Notes	2017 £	£	2016 £	£
<b>Fixed assets</b>					
Tangible assets	10		104,539		12,898
<b>Current assets</b>					
Debtors	12	256,470		256,060	
Investments	13	-		16,734	
Cash at bank and in hand		27,445		105,531	
		<u>283,915</u>		<u>378,325</u>	
<b>Creditors: amounts falling due within one year</b>	14	<u>(205,507)</u>		<u>(245,622)</u>	
<b>Net current assets</b>			78,408		132,703
<b>Total assets less current liabilities</b>			<u>182,947</u>		<u>145,601</u>
<b>Creditors: amounts falling due after more than one year</b>	15		(80,292)		-
<b>Provisions for liabilities</b>	17		-		(2,580)
<b>Net assets</b>			<u>102,655</u>		<u>143,021</u>
<b>Capital and reserves</b>					
Called up share capital	19		108		108
Share premium account			99,898		99,898
Profit and loss reserves			2,649		43,015
<b>Total equity</b>			<u>102,655</u>		<u>143,021</u>

The financial statements were approved and signed by the director and authorised for issue on .....

19/02/2018



Mr Dorian Prosdocimi  
Director

Company Registration No. 06445532

## PROSDOCIMI LIMITED

### STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 NOVEMBER 2017

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	Share capital £	Share premium account £	Profit and loss reserves £	Total £
Balance at 1 December 2015	108	99,898	50,755	150,761
Year ended 30 November 2016:				
Loss and total comprehensive income for the year	-	-	(7,740)	(7,740)
Balance at 30 November 2016	108	99,898	43,015	143,021
Year ended 30 November 2017:				
Loss and total comprehensive income for the year	-	-	(40,366)	(40,366)
Balance at 30 November 2017	108	99,898	2,649	102,655

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# PROSDOCIMI LIMITED

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 NOVEMBER 2017

	Notes	2017 £	£	2016 £	£
<b>Cash flows from operating activities</b>					
Cash (absorbed by)/generated from operations	24		(69,066)		72,157
<b>Investing activities</b>					
Purchase of tangible fixed assets		(111,211)		(9,717)	
Proceeds on disposal of fixed asset investments		16,734		5,782	
Proceeds from other investments and loans		(5,207)		(5,782)	
Interest received		4		105	
<b>Net cash used in investing activities</b>			(99,680)		(9,612)
<b>Financing activities</b>					
Payment of finance leases obligations		90,660		-	
<b>Net cash generated from/(used in) financing activities</b>			90,660		-
<b>Net (decrease)/increase in cash and cash equivalents</b>			(78,086)		62,545
Cash and cash equivalents at beginning of year			105,531		42,986
<b>Cash and cash equivalents at end of year</b>			27,445		105,531

# PROSDOCIMI LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2017

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### 1 Accounting policies

#### Company information

Prosdocimi Limited is a private company limited by shares incorporated in England and Wales. The registered office is 1 Knightsbridge Green, Level 6, London, SW1X 7QA.

#### 1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

#### 1.2 Going concern

At the time of approving the financial statements, the director has a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the director continues to adopt the going concern basis of accounting in preparing the financial statements.

#### 1.3 Turnover

Turnover represents commissions receivable from providing brokerage services investment management services and provides a regulatory service to appointed representatives. Brokerage income is recognised on the date of execution of trades..

#### 1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures, fittings & equipment	25% Straight Line
Computer equipment	25% Straight Line
Motor vehicles	

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

#### 1.5 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

# PROSDOCIMI LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 30 NOVEMBER 2017

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#### 1 Accounting policies

(Continued)

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

#### 1.6 Cash at bank and in hand

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### 1.7 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

##### **Other financial assets**

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.



# PROSDOCIMI LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 NOVEMBER 2017

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### 1 Accounting policies

(Continued)

#### ***Impairment of financial assets***

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

#### ***Derecognition of financial assets***

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

#### ***Classification of financial liabilities***

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

#### ***Basic financial liabilities***

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

#### ***Other financial liabilities***

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

# PROSDOCIMI LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 NOVEMBER 2017

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### 1 Accounting policies

(Continued)

#### *Derecognition of financial liabilities*

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

#### 1.8 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

#### 1.9 Derivatives

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to fair value at each reporting end date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

A derivative with a positive fair value is recognised as a financial asset, whereas a derivative with a negative fair value is recognised as a financial liability.

#### 1.10 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

##### *Current tax*

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

##### *Deferred tax*

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

#### 1.11 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

# PROSDOCIMI LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 NOVEMBER 2017

### 1 Accounting policies

(Continued)

#### 1.12 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to the profit and loss account so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

#### 1.13 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the profit and loss account for the period.

### 2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the director is 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 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 where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

### 3 Turnover and other revenue

An analysis of the company's turnover is as follows:

	2017 £	2016 £
<b>Turnover analysed by class of business</b>		
Commissions received	1,206,275	994,627
	<u>          </u>	<u>          </u>
	2017 £	2016 £
<b>Other significant revenue</b>		
Interest income	4	105
	<u>          </u>	<u>          </u>

# PROSDOCIMI LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2017

3	Turnover and other revenue	(Continued)	
		2017 £	2016 £
	Turnover analysed by geographical market		
	United Kingdom	1,206,275	994,627

4	Operating loss	2017 £	2016 £
	Operating loss for the year is stated after charging/(crediting):		
	Exchange losses/(gains)	1,598	(12,360)
	Fees payable to the company's auditor for the audit of the company's financial statements	10,800	6,015
	Depreciation of owned tangible fixed assets	19,570	4,968
	Operating lease charges	52,131	39,378

Exchange differences recognised in profit or loss during the year, except for those arising on financial instruments measured at fair value through profit or loss, amounted to £1,598 (2016 - £12,360).

## 5 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2017 Number	2016 Number
Director	1	1

Their aggregate remuneration comprised:

	2017 £	2016 £
Wages and salaries	124,177	47,500
Social security costs	12,260	12,681
	136,437	60,181

## 6 Director's remuneration

	2017 £	2016 £
Remuneration for qualifying services	111,050	47,500

# PROSDOCIMI LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2017

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**7 Interest receivable and similar income**

	2017	2016
	£	£
<b>Interest income</b>		
Interest on bank deposits	4	105
	<u>4</u>	<u>105</u>

Investment income includes the following:

Interest on financial assets not measured at fair value through profit or loss	4	105
	<u>4</u>	<u>105</u>

**8 Amounts written off investments  
fixed asset investments**

	2017	2016
	£	£
Loss on disposal of financial assets held at fair value through profit or loss	(5,207)	(5,782)
	<u>(5,207)</u>	<u>(5,782)</u>

**9 Taxation**

	2017	2016
	£	£
<b>Deferred tax</b>		
Origination and reversal of timing differences	(2,580)	950
	<u>(2,580)</u>	<u>950</u>

# PROSDOCIMI LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 30 NOVEMBER 2017

#### 9 Taxation

(Continued)

The actual (credit)/charge for the year can be reconciled to the expected credit for the year based on the profit or loss and the standard rate of tax as follows:

	2017 £	2016 £
Loss before taxation	(42,946)	(6,790)
Expected tax credit based on the standard rate of corporation tax in the UK of 19.00% (2016: 20.00%)	(8,160)	(1,358)
Tax effect of expenses that are not deductible in determining taxable profit	8,005	1,595
Permanent capital allowances in excess of depreciation	(20,040)	(1,943)
Depreciation on assets not qualifying for tax allowances	3,718	994
Adjustments in respect of financial assets	(1)	(21)
Other tax adjustments	16,478	1,683
Taxation charge for the year	-	950
Taxation (credit)/charge in the financial statements	(2,580)	950
<i>Reconciliation - the current year tax charge does not reconcile to the above analysis. Please review figures in the database.</i>	2,580	-

#### 10 Tangible fixed assets

	Fixtures, fittings & equipment £	Computer equipment £	Motor vehicles £	Total £
<b>Cost</b>				
At 1 December 2016	20,948	49,687	-	70,635
Additions	-	2,231	108,980	111,211
At 30 November 2017	20,948	51,918	108,980	181,846
<b>Depreciation and impairment</b>				
At 1 December 2016	12,725	45,012	-	57,737
Depreciation charged in the year	3,206	2,741	13,623	19,570
At 30 November 2017	15,931	47,753	13,623	77,307
<b>Carrying amount</b>				
At 30 November 2017	5,017	4,165	95,357	104,539
At 30 November 2016	8,224	4,674	-	12,898

# PROSDOCIMI LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 NOVEMBER 2017

### 10 Tangible fixed assets

(Continued)

Fixed assets of £108,980 were under HP agreements and are secured against the lease liability.

### 11 Financial instruments

	2017 £	2016 £
<b>Carrying amount of financial assets</b>		
Debt instruments measured at amortised cost	256,470	256,060
Equity instruments measured at cost less impairment	-	16,734
	<u>256,470</u>	<u>272,794</u>
<b>Carrying amount of financial liabilities</b>		
Measured at amortised cost	284,577	229,834
	<u>284,577</u>	<u>229,834</u>

### 12 Debtors

	2017 £	2016 £
<b>Amounts falling due within one year:</b>		
Trade debtors	256,470	204,034
Other debtors	-	52,026
	<u>256,470</u>	<u>256,060</u>

Trade debtors disclosed above are measured at amortised cost.

### 13 Current asset investments

	2017 £	2016 £
Unlisted investments	-	16,734
	<u>-</u>	<u>16,734</u>

### 14 Creditors: amounts falling due within one year

	Notes	2017 £	2016 £
Obligations under finance leases	16	10,368	-
Trade creditors		100,920	95,957
Other taxation and social security		1,222	15,788
Other creditors		82,196	123,076
Accruals and deferred income		10,801	10,801
		<u>205,507</u>	<u>245,622</u>

# PROSDOCIMI LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 NOVEMBER 2017

### 15 Creditors: amounts falling due after more than one year

	Notes	2017 £	2016 £
Obligations under finance leases	16	80,292	-

### 16 Finance lease obligations

	2017 £	2016 £
Future minimum lease payments due under finance leases:		
Within one year	10,368	-
In two to five years	80,292	-
	<u>90,660</u>	<u>-</u>

Finance lease payments represent rentals payable by the company for acquiring a motor vehicle. Leases include purchase options at the end of the lease period, and no restrictions are placed on the use of the assets. The average lease term is 4 years. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments. The Lessor has security over the vehicle in accordance with contract law.

### 17 Provisions for liabilities

	Notes	2017 £	2016 £
Deferred tax liabilities	18	-	2,580

### 18 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the company and movements thereon:

	Liabilities 2017 £	Liabilities 2016 £
<b>Balances:</b>		
Accelerated capital allowances	-	2,580
	<u>-</u>	<u>2,580</u>
<b>Movements in the year:</b>		2017 £
Liability at 1 December 2016		2,580
Credit to profit or loss		(2,580)
Liability at 30 November 2017		<u>-</u>



# PROSDOCIMI LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 NOVEMBER 2017

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### 18 Deferred taxation (Continued)

### 19 Share capital

	2017 £	2016 £
<b>Ordinary share capital</b>		
<b>Issued and fully paid</b>		
2,600 "A" ordinary shares of 1p each	26	26
8,200 "B" ordinary shares of 1p each	82	82
	<u>108</u>	<u>108</u>

### 20 Operating lease commitments

#### Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2017 £	2016 £
Within one year	-	48,300

### 21 Events after the reporting date

There are no matters to report.

### 22 Related party transactions

#### Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2017 £	2016 £
Aggregate compensation	<u>111,050</u>	<u>47,500</u>

### 23 Controlling party

D Prosdocimi has a controlling interest in the firm.

# PROSDOCIMI LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2017

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### 24 Cash generated from operations

	2017 £	2016 £
Loss for the year after tax	(40,366)	(7,740)
<b>Adjustments for:</b>		
Taxation (credited)/charged	(2,580)	950
Investment income	(4)	(105)
Depreciation and impairment of tangible fixed assets	19,570	4,968
Amounts written off investments	5,207	5,782
<b>Movements in working capital:</b>		
(Increase)/decrease in debtors	(410)	345,635
(Decrease) in creditors	(50,483)	(277,333)
<b>Cash (absorbed by)/generated from operations</b>	<u>(69,066)</u>	<u>72,157</u>

# PROSDOCIMI LIMITED

## APPENDIX: PILLAR 3 DISCLOSURES FOR THE YEAR ENDED 30 NOVEMBER 2017

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### *Capital Requirements Directive Pillar 3 disclosure*

#### Regulatory Context

The Pillar 3 disclosure of Prosdocimi Limited ("the Firm") is set out below as required by the FCA's "Prudential Sourcebook for Banks, Building Societies and Investment Firms" (BIPRU) specifically BIPRU 11.3.3 R (for ICAAP) and BIPRU 11.5.18 R (for remuneration). This follows the introduction of the Capital Requirements Directive ("CRD") which represents the European Union's application of the Basel Capital Accord. The regulatory aim of the disclosures is to improve transparency and thereby to protect consumers.

#### Introduction

#### Frequency

The Firm will be making Pillar 3 disclosures annually. The disclosures will be as at the Accounting Reference Date ("ARD") which is currently 30 November.

#### Media and Location

The disclosure is published only in our Accounts and will be available from the Registered office on request.

#### Verification

This information has not been audited by the Firm's external auditors and does not constitute any form of financial statement and must not be relied upon in making any judgement on Prosdocimi Limited.

#### Materiality

The Firm regards information as material in disclosures if its omission or misstatement could change or influence the assessment or decision of a user relying on that information for the purpose of making economic decisions. If the Firm deems a certain disclosure to be immaterial, it may be omitted from this statement.

#### Risk Management

The Firm is mindful of the FCA's comments regarding confidentiality and of the comment that both qualitative and quantitative data must be disclosed.

As such, the Firm's policy is to disclose that information required under the FCA Rules but to treat further information as proprietary if sharing that information with the public would undermine its competitive position. Proprietary information may include information on products or systems which, if shared with competitors, would render the Firm's investments therein less valuable. Further, the Firm will regard information as confidential if there are obligations to customers or other counterparty relationships binding the Firm to confidentiality. In the event that any such information is omitted, we shall disclose such and explain the grounds why it has not been disclosed.

#### Summary

The CRD requirements have three pillars. Pillar 1 deals with minimum capital requirements; Pillar 2 deals with Internal Capital Adequacy Assessment Process ("ICAAP") undertaken by a firm and the Supervisory Review and Evaluation Process through which the firm and regulator satisfy themselves on the adequacy of capital held by the Firm in relation to the risks it faces and; Pillar 3 which deals with public disclosure of risk management policies, capital resources, capital requirements and remuneration policy. The regulatory aim of the disclosure is to improve market discipline and transparency.

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# PROSDOCIMI LIMITED

## APPENDIX: PILLAR 3 DISCLOSURES FOR THE YEAR ENDED 30 NOVEMBER 2017

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### *Capital requirements directive Pillar 3 disclosure (continued)*

The Firm is a limited license firm primarily undertaking advisory services. It acts solely as a broker on behalf of clients and does not undertake proprietary trading.

The Firm's key risks have been identified and grouped as either market, credit, business or operational risks. The Firm has assessed these risks in its ICAAP and has set out appropriate actions to manage them.

#### Background to the Firm

##### Market Risk

As an Execution Brokerage Firm, we do not have a trading book. Our potential exposures are non-trading book exposures to foreign currency assets or liabilities held on our balance sheet.

Market Risk calculation @ 30 November 2017

Market Risk £1,625

##### Credit Risk

The Firm's exposure to credit risk is the risk that advisory fees cannot be collected and the exposure to banks where cash held is deposited.

The Firm holds all cash with an A rated bank.

##### Business risk

By its nature an execution brokerage firm has a higher business risk than some other types of business. However within this context the Firm again has a conservative business risk appetite.

Currently the Firm has a simple business strategy and the main business risk is the loss of client business.

##### Operational Risk

This incorporates the advisory processes undertaken as well as the regulatory and contingency planning done at the Firm level. Our operational risk appetite is conservative and, as a result, we invest to mitigate such risks.

Our staffing levels also provide a level of contingency cover in all critical business areas.

The Firm has documented contingency planning and disasters recovery procedures and these are regularly reviewed and tested.

We also aim to keep all aspects of our operations as simple as possible.

##### Background

The Firm is incorporated in the UK and is authorised and regulated by the FCA as an Investment Advisory Firm. The Firm's activities give it the BIPRU categorisation of a "Limited Licence" and a "BIPRU €50K" firm.

As a Limited Licence Firm we are considered a Proportionality tier three firm for the purposes of the FCA's Remuneration Code.

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# PROSDOCIMI LIMITED

## APPENDIX: PILLAR 3 DISCLOSURES FOR THE YEAR ENDED 30 NOVEMBER 2017

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### *Capital requirements directive Pillar 3 disclosure (continued)*

#### BIPRU 3

For its Pillar 1 regulatory capital calculation of Credit Risk, under the credit risk capital component the Firm has adopted the Standardised approach (BIPRU 3.4) and the Simplified method of calculating risk weights (BIPRU 3.5).

Credit Risk calculation @ 30 November 2017

Credit Risk Capital Requirement £29,400

#### BIPRU 4

The Firm does not adopt the Internal Ratings Based approach and hence this is not applicable.

#### BIPRU 6

The Firm, being a Limited Licence Firm is not subject to the Pillar 1 Operational Risk Requirement and, therefore, this is not applicable.

#### BIPRU 7

The Firm has Non-Trading Book potential exposure only (BIPRU 7.4, 7.5).

#### BIPRU 11.5.1

Disclosure: Risk Management Objectives and Policies

##### Risk Management Objective

The Firm has a risk management objective to develop systems and controls to mitigate risk to within its conservative risk appetite.

##### Governance Framework

D Prosdocimi, as the head of the Managing Board has the daily management and oversight responsibility for the Firm.

##### Risk Framework

The Managing Board is responsible for risk management and reviews the effectiveness of the Firm's system of internal controls to manage and mitigate the risks identified.

##### Overall Pillar 2 Rule

The Firm has adopted the "Structured" approach to the calculation of its ICAAP Capital Resources Requirement as outlined in the Committee of European Banking Supervisors Paper, 25 January 2006.

The ICAAP is reviewed by the Managing Board of the Firm annually, or when a material change to the business occurs.

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# PROSDOCIMI LIMITED

## APPENDIX: PILLAR 3 DISCLOSURES FOR THE YEAR ENDED 30 NOVEMBER 2017

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### *Capital requirements directive Pillar 3 disclosure (continued)*

#### BIPRU 11.5.4

Disclosure: Compliance with BIPRU 3, BIPRU 4, BIPRU 6, BIPRU 7, BIPRU 10 and the Overall Pillar 2 Rule.

#### BIPRU 11.5.8

Disclosure: Credit Risk and Dilution Risk

The Firm is primarily exposed to Credit Risk from the risk of non-collection of fees and the exposure to banks where cash held is deposited.

The Firm holds all cash with an A rated UK bank.

See above (BIPRU 3) for calculation of credit risk as at 30 November 2017.

#### BIPRU 11.5.9

This disclosure is not required as the Firm does not make Value Adjustments and Provisions for impaired exposures that need to be disclosed under BIPRU 11.5.8R (9).

#### BIPRU 11.5.10

Disclosure: Firms calculating Risk Weighted Exposure Amounts in accordance with the Standardised Approach.

This disclosure is not required as the Firm uses the Simplified method of calculating Risk Weights (BIPRU 3.5).

#### BIPRU 11.5.11

Disclosure: Firms calculating Risk Weighted Exposure amounts using the IRB Approach

This disclosure is not required as the Firm has not adopted the Internal Ratings Based approach to Credit and therefore is not affected by BIPRU 11.5.4R (3).

#### BIPRU 11.5.13

Disclosure: Use of VaR model for calculation of Market Risk Capital Requirement

This disclosure is not required as the Firm does not use a VaR model for calculation of Market Risk Capital Requirement.

#### BIPRU 11.5.14

Disclosure: Operational Risk

The Firm's Fixed Overhead Requirement (FOR) is disclosed as a proxy for the Pillar 1 Operational Risk Capital calculation. The Firm's Pillar 1 Capital Resources Requirement is the higher of FOR/the sum of Market Risk and Credit Risk Requirement.

Fixed Overhead Requirement £75,570

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# PROSDOCIMI LIMITED

## APPENDIX: PILLAR 3 DISCLOSURES FOR THE YEAR ENDED 30 NOVEMBER 2017

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### *Capital requirements directive Pillar 3 disclosure (continued)*

GENPRU 2.1.53

BIPRU 11.5.15

Disclosure: Non-Trading Book Exposures in Equities

The capital requirement as at 30 November 2017 was £Nil..

BIPRU 11.5.16

Disclosures: Exposures to Interest Rate Risk in the Non-Trading Book

Although the Firm has substantial cash balances on its Balance Sheet, there is currently no significant exposure to Interest Rate fluctuations.

BIPRU 11.5.17

Disclosures: Securitisation

This disclosure is not required as the Firm does not Securitises its assets.

BIPRU 11.5.18

Disclosures: Remuneration

Background

During the year the board reviewed the remuneration policy in light of the rules and guidance contained in the FCA Remuneration Code ("the Code"). The Code itself implements remuneration rules required by the Capital Requirements Directive ("CRD 3") and the Financial Services and Markets Act .

While some firms are within the scope of the Code, the proportionality principle contained in the Code rules requires the Company to comply with the Code only in a way and to the extent that is appropriate to its size, internal organization and the nature, the scope and the complexities of its activities. The company falls within the lowest level of Code categorization (Tier 3), which means that it is not required to comply with some of the prescriptive rules set out in the Code such as deferral and retained shares.

The firm is also aware of its CRD III disclosures on remuneration requirements and will be publishing the relevant information on its website in due course.

In fixing the remuneration packages for current and future financial years the Directors have the following in mind:

- " The need to attract, retain and motivate Directors of the quality required;
- " What comparable companies are paying, taking into account relative performance; and
- " Pay and employment conditions elsewhere in the firm.

At present the Directors have drawn £111,050 as remuneration or benefits from the company.

The FCA defines Remuneration Code Staff ("Code Staff") in SYSC 19A.3.4 as senior management, risk takers, staff engaged in control functions and any employee receiving total remuneration that takes them into the same remuneration bracket as those detailed above, whose professional activities have a material impact on the firm's risk profile.

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