

Company registration number 06445532 (England and Wales)

PROSDOCIMI LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2022

PROSDOCIMI LIMITED

COMPANY INFORMATION

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

PROSDOCIMI LIMITED

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PROSDOCIMI LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 30 NOVEMBER 2022

The director presents the strategic report for the year ended 30 November 2022.

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 £504,913 (2021: £443,171), inclusive of cash balances of £172,144 (2021: £282,804).

Key performance indicators

The company's key performance indicators were turnover, which for the year was £1,428,841 (2021: £1,531,248) and profitability decreasing to 4.32% (2021: 21.73%)

Directors' statement of compliance with duty to promote the success of the Company

The directors of the company have acted in a way that they consider, in good faith, would most likely promote the success of the company for the benefit of its shareholders, employees and customers as a whole, and in doing so, the directors have considered (amongst other matters):

- the likely consequences of any decision in the long term,
- the interest of the company's employees,
- the need to foster the company's business relationships with customer 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 among shareholders, employees and customers of the company

On behalf of the board

Mr Dorian Prosdocimi

Director

27 March 2023

PROSDOCIMI LIMITED

DIRECTOR'S REPORT

FOR THE YEAR ENDED 30 NOVEMBER 2022

The director presents his annual report and financial statements for the year ended 30 November 2022.

Principal activities

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

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.

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

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

There are no matters to report.

Future developments

There are no matters to report.

Energy and carbon report

As the company has not consumed more than 40,000 kWh of energy in this reporting period, it qualifies as a low energy user under these regulations and is not required to report on its emissions, energy consumption or energy efficiency activities.

PROSDOCIMI LIMITED

DIRECTOR'S REPORT (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2022

Statement of director's responsibilities

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.

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.

On behalf of the board

Mr Dorian Prosdocimi
Director

27 March 2023

PROSDOCIMI LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PROSDOCIMI LIMITED

Opinion

We have audited the financial statements of Prosdocimi Limited (the 'company') for the year ended 30 November 2022 which comprise 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 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 30 November 2022 and of its profit 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

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 financial statements are authorised for issue.

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The director is responsible for the other information contained within the annual report. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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

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 or the director's report.

We have nothing to report in respect of the following matters in relation to which 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 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 director determines 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 intends to liquidate the company or to cease operations, or has 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.

The extent to which the audit was considered 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.

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our commercial knowledge and experience of the financial services sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Financial Conduct Authority (FCA), Companies Act 2006, taxation legislation, data protection, anti-bribery, anti-money-laundering, employment, environmental and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

PROSDOCIMI LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF PROSDOCIMI LIMITED

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations; and
- understanding the design of the company's remuneration policies.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates as set out in note 2 were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC, relevant regulators including the FCA and reviewing the company's compliance monitoring procedures and findings.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any. Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or through collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://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.

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

27 March 2023

Chartered Accountants
Statutory Auditor

43-45 Dorset Street
London
W1U 7NA

PROSDOCIMI LIMITED

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 NOVEMBER 2022

	Notes	2022 £	2021 £
Turnover	3	1,428,841	1,531,248
Administrative expenses		(1,328,948)	(1,130,744)
Operating profit	4	99,893	400,504
Interest receivable and similar income	8	26	-
Interest payable and similar expenses	9	(3,007)	(2,557)
Profit before taxation		96,912	397,947
Tax on profit	10	(25,670)	(65,196)
Profit for the financial year		71,242	332,751

The profit and loss account has been prepared on the basis that all operations are continuing operations.

PROSDOCIMI LIMITED

BALANCE SHEET

AS AT 30 NOVEMBER 2022

	Notes	2022 £	£	2021 £	£
Fixed assets					
Tangible assets	11		82,303		105,742
Investments	12		38,331		889,180
			<u>120,634</u>		<u>994,922</u>
Current assets					
Debtors	14	445,544		534,979	
Investments	15	34,600		34,600	
Cash at bank and in hand		172,144		282,804	
		<u>652,288</u>		<u>852,383</u>	
Creditors: amounts falling due within one year	16	(204,840)		(1,330,796)	
Net current assets/(liabilities)			<u>447,448</u>		<u>(478,413)</u>
Total assets less current liabilities			<u>568,082</u>		<u>516,509</u>
Creditors: amounts falling due after more than one year	17		(53,669)		(73,338)
Net assets			<u><u>514,413</u></u>		<u><u>443,171</u></u>
Capital and reserves					
Called up share capital	20		108		108
Share premium account			99,898		99,898
Profit and loss reserves			414,407		343,165
Total equity			<u><u>514,413</u></u>		<u><u>443,171</u></u>

The financial statements were approved and signed by the director and authorised for issue on 27 March 2023

Mr Dorian Prosdocimi

Director

Company Registration No. 06445532

PROSDOCIMI LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 NOVEMBER 2022

	Share capital	Share premium account	Profit and loss reserves	Total
	£	£	£	£
Balance at 1 December 2020	108	99,898	10,414	110,420
Year ended 30 November 2021:				
Profit and total comprehensive income for the year	-	-	332,751	332,751
Balance at 30 November 2021	108	99,898	343,165	443,171
Year ended 30 November 2022:				
Profit and total comprehensive income for the year	-	-	71,242	71,242
Balance at 30 November 2022	108	99,898	414,407	514,413

PROSDOCIMI LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 NOVEMBER 2022

	Notes	2022 £	£	2021 £	£
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	24				
		(854,899)		1,163,179	
Interest paid		(3,007)		(2,557)	
Income taxes paid		(65,196)		-	
Net cash (outflow)/inflow from operating activities		(923,102)		1,160,622	
Investing activities					
Purchase of tangible fixed assets		(14,786)		(105,945)	
Proceeds from disposal of tangible fixed assets		4,763		51,134	
Proceeds from disposal of investments		850,849		(911,380)	
Repayment of loans		(10,548)		-	
Interest received		26		-	
Net cash generated from/(used in) investing activities		830,304		(966,191)	
Financing activities					
Payment of finance leases obligations		(17,862)		26,263	
Net cash (used in)/generated from financing activities		(17,862)		26,263	
Net (decrease)/increase in cash and cash equivalents		(110,660)		220,694	
Cash and cash equivalents at beginning of year		282,804		62,110	
Cash and cash equivalents at end of year		172,144		282,804	

PROSDOCIMI LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 NOVEMBER 2022

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 provision of a regulatory service under the umbrella 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	20% Straight Line

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 Fixed asset investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

An associate is an entity, being neither a subsidiary nor a joint venture, in which the company holds a long-term interest and where the company has significant influence. The company considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

PROSDOCIMI LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2022

1 Accounting policies

(Continued)

Entities in which the company has a long term interest and shares control under a contractual arrangement are classified as jointly controlled entities.

1.6 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.

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.

1.7 Cash and cash equivalents

Cash and cash equivalents 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.

1.8 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.

PROSDOCIMI LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2022

1 Accounting policies

(Continued)

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.

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.

PROSDOCIMI LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2022

1 Accounting policies

(Continued)

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.

Derecognition of financial liabilities

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

1.9 Equity instruments

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

1.10 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.

1.11 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.

PROSDOCIMI LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2022

1 Accounting policies

(Continued)

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.

1.12 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.

1.13 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.14 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 profit or loss 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 profit or loss 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 leases asset are consumed.

1.15 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 in the period are included in profit or loss.

PROSDOCIMI LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2022

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:

	2022 £	2021 £
Turnover analysed by class of business		
Trading Revenue, Appointed Rep Fees and Commission received	1,408,702	1,531,246

	2022 £	2021 £
Other significant revenue		
Interest income	26	-

4 Operating profit

	2022 £	2021 £
Operating profit for the year is stated after charging/(crediting):		
Exchange (gains)/losses	(56,139)	14,130
Depreciation of owned tangible fixed assets	33,462	14,723
Profit on disposal of tangible fixed assets	-	(17,699)
Operating lease charges	56,192	66,891

5 Auditor's remuneration

	2022 £	2021 £
Fees payable to the company's auditor and associates:		
For audit services		
Audit of the financial statements of the company	7,200	7,200

PROSDOCIMI LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2022

6 Employees

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

	2022 Number	2021 Number
Director	1	1
Administrative	1	1
Total	2	2

Their aggregate remuneration comprised:

	2022 £	2021 £
Wages and salaries	390,441	267,740
Social security costs	38,226	31,033
Pension costs	10,187	5,456
	438,854	304,229

7 Director's remuneration

	2022 £	2021 £
Remuneration for qualifying services	335,000	230,000

Remuneration disclosed above include the following amounts paid to the highest paid director:

	2022 £	2021 £
Remuneration for qualifying services	335,000	230,000

8 Interest receivable and similar income

	2022 £	2021 £
Interest income		
Interest on bank deposits	26	-
Investment income includes the following:		
Interest on financial assets not measured at fair value through profit or loss	26	-

PROSDOCIMI LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2022

9 Interest payable and similar expenses

	2022	2021
	£	£
Interest on financial liabilities measured at amortised cost:		
Other interest on financial liabilities	-	750
Other finance costs:		
Interest on finance leases and hire purchase contracts	3,007	1,807
	<u>3,007</u>	<u>2,557</u>

10 Taxation

	2022	2021
	£	£
Current tax		
UK corporation tax on profits for the current period	25,670	65,196
	<u>25,670</u>	<u>65,196</u>

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

	2022	2021
	£	£
Profit before taxation	96,912	397,947
	<u>96,912</u>	<u>397,947</u>
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2021: 19.00%)	18,413	75,610
Tax effect of expenses that are not deductible in determining taxable profit	11,028	7,051
Gains not taxable	-	(3,363)
Tax effect of utilisation of tax losses not previously recognised	-	(9,518)
Permanent capital allowances in excess of depreciation	(3,771)	(4,584)
	<u>25,670</u>	<u>65,196</u>
Taxation charge for the year	25,670	65,196

PROSDOCIMI LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2022

11 Tangible fixed assets

	Fixtures, fittings & equipment	Computer equipment	Motor vehicles	Total
	£	£	£	£
Cost				
At 1 December 2021	39,354	60,692	85,820	185,866
Additions	-	13,791	995	14,786
Disposals	-	-	(4,763)	(4,763)
At 30 November 2022	39,354	74,483	82,052	195,889
Depreciation and impairment				
At 1 December 2021	25,251	54,873	-	80,124
Depreciation charged in the year	9,838	6,387	17,237	33,462
At 30 November 2022	35,089	61,260	17,237	113,586
Carrying amount				
At 30 November 2022	4,265	13,223	64,815	82,303
At 30 November 2021	14,103	5,819	85,820	105,742

Fixed assets of £85,820 were under HP agreements and are secured against the lease liability.

12 Fixed asset investments

	2022 £	2021 £
Listed investments	38,331	889,180
Movements in fixed asset investments		
		Investments £
Cost or valuation		
At 1 December 2021		889,180
Valuation changes		(850,849)
At 30 November 2022		38,331
Carrying amount		
At 30 November 2022		38,331
At 30 November 2021		889,180

PROSDOCIMI LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2022

13 Financial instruments

	2022	2021
	£	£
Carrying amount of financial assets		
Instruments measured at amortised cost	34,600	34,600

14 Debtors

	2022	2021
	£	£
Amounts falling due within one year:		
Trade debtors	432,476	530,379
Other debtors	13,068	4,600
	445,544	534,979

Trade debtors disclosed above are measured at amortised cost.

15 Current asset investments

	2022	2021
	£	£
Unlisted investments	34,600	34,600

16 Creditors: amounts falling due within one year

	Notes	2022	2021
		£	£
Obligations under finance leases	18	14,289	12,482
Trade creditors		72,139	33,667
Corporation tax		25,670	65,196
Other taxation and social security		56,610	13,978
Other creditors		11,958	207,693
Accruals and deferred income		24,174	997,780
		204,840	1,330,796

17 Creditors: amounts falling due after more than one year

	Notes	2022	2021
		£	£
Obligations under finance leases	18	53,669	73,338

PROSDOCIMI LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2022

18 Finance lease obligations

	2022	2021
	£	£
Future minimum lease payments due under finance leases:		
Within one year	14,289	12,482
In two to five years	53,669	73,338
	<u>67,958</u>	<u>85,820</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.

19 Retirement benefit schemes

	2022	2021
	£	£
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	10,187	5,456
	<u>10,187</u>	<u>5,456</u>

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

20 Share capital

	2022	2021	2022	2021
	Number	Number	£	£
Ordinary share capital				
Issued and fully paid				
"A" Ordinary shares of 1p each	2,625	2,625	26	26
"B" Ordinary shares of 1p each	8,216	8,216	82	82
	<u>10,841</u>	<u>10,841</u>	<u>108</u>	<u>108</u>

21 Events after the reporting date

There are no matters to report.

PROSDOCIMI LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2022

22 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2022 £	2021 £
Aggregate compensation	335,000	230,000

Transactions with related parties

During the year the company entered into the following transactions with related parties:

At the year end the Director, D Prosdocimi owed £10,548 (2021: Director was owed 5,671)

During the year J Prosdocimi, spouse of director D Prosdocimi, was paid £94,000 (2021: £68,000) for financial services performed during the year.

23 Ultimate controlling party

D Prosdocimi has a controlling interest in the firm.

24 Cash (absorbed by)/generated from operations

	2022 £	2021 £
Profit for the year after tax	71,242	332,751
Adjustments for:		
Taxation charged	25,670	65,196
Finance costs	3,007	2,557
Investment income	(26)	-
Gain on disposal of tangible fixed assets	-	(17,699)
Depreciation and impairment of tangible fixed assets	33,462	14,723
Movements in working capital:		
Decrease/(increase) in debtors	99,983	(308,219)
(Decrease)/increase in creditors	(1,088,237)	1,073,870
Cash (absorbed by)/generated from operations	(854,899)	1,163,179

PROSDOCIMI LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2022

25 Analysis of changes in net funds

	1 December 2021 £	Cash flows £	30 November 2022 £
Cash at bank and in hand	282,804	(110,660)	172,144
Obligations under finance leases	(85,820)	17,862	(67,958)
	<u>196,984</u>	<u>(92,798)</u>	<u>104,186</u>

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