

INVICTA SECURITIES LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

INVICTA SECURITIES LIMITED

COMPANY INFORMATION

Directors	C Argentieri C Lagrotteria
Registered number	08561884
Registered office	83 Baker Street London W1U 6AG
Independent auditors	Sopher + Co LLP Chartered Accountants & Statutory Auditors 5 Elstree Gate Elstree Way Borehamwood Hertfordshire WD6 1JD

INVICTA SECURITIES LIMITED

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INVICTA SECURITIES LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 30 JUNE 2023

Introduction

The directors present the strategic report for the year ended 30 June 2023.

Fair review of the business

Invicta Securities Ltd (Invicta) activity performance through the year 2022/23 has been above the forecasts. The business was focused on inter-client brokerage of bonds, in particular SSA/Credit and illiquid bonds. The volatility in rates and credit (a tighter monetary policy and Credit Suisse bailout) has created good opportunities in the first part of the year. The Italian branch has expanded clients coverage with a sales addition in the team. Overall activity increased from the previous year sustained by good volumes and orders flows, all driven by strong client relationships and deep market knowledge and presence.

Under the IFPR's firm categorisation, Invicta is categorised as a non-small and non-interconnected firm (non-SNI).

The directors are satisfied with the performance of the Company which was above expectations in the first 9 months and below average for the remaining quarter. The board expects a slow activity from clients in the coming quarters due to sustained volatility in interest rates. For this reason, the management is looking to expand the activity in other areas of products/client coverage in order to diversify the revenues stream.

The results of the current year were considered more than satisfactory by the directors, the financial position has strengthened further giving the base for an organic and sound expansion for the next 12 months.

Principal risks and uncertainties

During Q1-Q3 of the period under review, there has been an increased volatility in financial markets due to geopolitical events, change of monetary policy from the Central banks to balance the spike in inflation, widening in banks and financial credit spreads due to the American regional banks turmoil and Credit Suisse bailout. The Company was well positioned to benefit from the increased volatility and activity from clients. Invicta considers the actual new environment positive for the asset class even if it expects a low activity from clients until the end of expansive monetary policy. The credit spread widening and increase in interest rates has accelerated the pressure on asset prices, both for equity and bonds, and we expect a prolonged adjustments until the inflation comes under desired level. The liquidity conditions in the market has deteriorated during the year but the company has seen this as an opportunity to explore new business. The company with the current balance sheet is in a better position to expand his business thanks to the increased cash reserves. The company strategy is to continue to invest in an efficient infrastructure able to scale the existing business if opportunities should arise in the changing market conditions and undertake an aggressive expansion should the business pick up following an increase of volume of trading activity.

Company's reputation is important to the on-going operation and success. The Company makes sure the management acts promptly to minimize this risks in all aspects of the business.

INVICTA SECURITIES LIMITED

STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2023

Financial and other key performance indicators

The directors use the below key performance indicators as part of their business management. Results for the year ended 30 June 2023 show:

Turnover increased by (22)% to £3,125,990 (2022 – decreased by 18% to £2,562,443)

EBITDA: increased by (8)% to £1,418,992 (2022 – decreased by 28% to £946,547)

Number of institutional clients covered to date: 127

In the coming year the Company will focus on expanding the business by adding new salespeople to the existing team in Italy and United Kingdom, expanding the business to new products, increasing the geographical areas covered especially outside of Europe, strengthening existing client relationships as well as expanding its client base further.

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

The directors have acted in a way that promotes the success of the company for the benefit of its members and the group as a whole (having regard to the stakeholders and matters set out in S172(1)(a-f) of the Act) during the financial year ended on 30 June 2023.

In coming to this conclusion, the directors have considered the following:

- Consideration of long-term consequences are an inherent part of the company's decision-making processes. As a privately-owned company, the board considers that the interests of the company and its shareholders are aligned in seeking sustainable value creation over the longer term through the company's operations, promoting long term strategic decision-making.
- The company has continued throughout the year to provide employees with relevant information and to seek their views on matters of common concern. Priority is given to ensuring that employees are aware of all significant matters affecting the company.
- The company operates in the Financial Sector which is sector characterised by long term relationships with stakeholders and is driven largely by maintaining strong relationships. Maintaining a reputation for high standards of business conduct is vital and the company expects all parties with whom it transacts always act with integrity, openly, honestly and ethically. The company has zero tolerance to fraud and maintains effective oversight and scrutiny processes, executed with independence and impartiality.
- When taking decisions, the board considers the potential impact the decisions they take may have on the environmental and socially. Given the size of the business the impact of the company's operations on the community and environment is not considerable.
- The integrity of the company is underpinned with policies in relation to bribery and corruption, data protection, equality, diversity, fraud and whistleblowing, each of which is reinforced through appropriate training.
- The directors are also shareholders of the company. They believe that their interests are aligned with that of the company.

This report was approved by the board on 20 October 2023 and signed on its behalf.


C Argentieri
Director

INVICTA SECURITIES LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 30 JUNE 2023

The directors present their report and the financial statements for the year ended 30 June 2023.

Principal activity

The principal activity of the company continued to be the provision of independent agency brokerage services to professional clients in the fixed income market.

Results and dividends

The profit for the year, after taxation, amounted to £1,219,056 (2022 - £761,097).

During the year dividends totalling £492,314 (2022 - £590,000) were paid to shareholders.

Directors

The directors who served during the year were:

C Argentieri
C Lagrotteria

Directors' responsibilities statement

The directors are responsible for preparing the Strategic Report, the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are 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 directors are required to:

- select suitable accounting policies for the company's financial statements and then apply them consistently;
- make judgments 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 directors are 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 to enable them to ensure that the financial statements comply with the Companies Act 2006. They are 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.

Future developments

In the coming year the company will focus on expanding the business by adding new sales people to the existing team in Italy and United Kingdom, expanding the business to new products, increasing the geographical areas covered especially outside of Europe and strengthening existing client relationships as well as expanding its client base further.

INVICTA SECURITIES LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2023**

Qualifying third party indemnity provisions

Qualifying third party indemnity provision for the benefit of the directors were in force during the year under review and remain in force at the date of approval of the director's report and financial statements.

Branches outside the United Kingdom

The company has a branch in Italy which has the same principal activity as detailed on page 3.

Disclosure of information to auditors

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditors are aware of that information.


Subsequent events

There have been no significant events affecting the company since the year end.

Auditors

The auditors, Sopher + Co LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 20 October 2023 and signed on its behalf.



C Argentieri
Director

INVICTA SECURITIES LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF INVICTA SECURITIES LIMITED

Opinion

We have audited the financial statements of Invicta Securities Limited (the 'company') for the year ended 30 June 2023, which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Cash Flows, the Statement of Changes in Equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 June 2023 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 Auditors' 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 United Kingdom, including the Financial Reporting Council'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 directors' 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 directors with respect to going concern are described in the relevant sections of this report.

INVICTA SECURITIES LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF INVICTA SECURITIES LIMITED (CONTINUED)

Other information

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

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

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 Directors' 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 directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

INVICTA SECURITIES LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF INVICTA SECURITIES LIMITED (CONTINUED)

Auditors' 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 Auditors' 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.

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:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- 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 similar businesses;
- 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 Companies Act 2006, taxation legislation and data protection, anti-bribery, employment, environmental, health and safety legislation and FCA rules and regulations;
- 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.

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 were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

INVICTA SECURITIES LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF INVICTA SECURITIES LIMITED (CONTINUED)

Auditors' responsibilities for the audit of the financial statements (continued)

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.
- reviewing correspondence with HMRC, relevant regulators and the company's legal advisors.

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 collusion.

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

Martyn Atkinson FCA (Senior Statutory Auditor)

for and on behalf of

Sopher + Co LLP

Chartered Accountants
Statutory Auditors

5 Elstree Gate
Elstree Way
Borehamwood
Hertfordshire
WD6 1JD

20 October 2023

INVICTA SECURITIES LIMITED

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2023

	Note	2023 £	2022 £
Turnover	4	3,125,990	2,562,443
Cost of sales		(600,683)	(599,097)
Gross profit		2,525,307	1,963,346
Administrative expenses		(1,093,405)	(901,991)
Fair value movements		(21,367)	(120,305)
Operating profit	5	1,410,535	941,050
Income from fixed assets investments	9	75,979	10,055
Profit on disposal of fixed asset investments		49,418	11,442
Interest receivable and similar income		6,138	4,855
Interest payable and similar expenses		(3)	-
Profit before tax		1,542,067	967,402
Tax on profit	10	(323,011)	(206,305)
Profit for the financial year		1,219,056	761,097

There was no other comprehensive income for 2023 (2022:£NIL).

The notes on pages 14 to 22 form part of these financial statements.

INVICTA SECURITIES LIMITED
REGISTERED NUMBER:08561884
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	12	16,403	21,802
Investments	13	2,209,905	1,521,411
		<u>2,226,308</u>	<u>1,543,213</u>
Current assets			
Debtors: amounts falling due after more than one year	14	-	98,467
Debtors: amounts falling due within one year	14	274,270	56,494
Cash at bank and in hand		239,757	255,750
		<u>514,027</u>	<u>410,711</u>
Current liabilities			
Creditors: amounts falling due within one year	15	(474,430)	(414,761)
Net current assets/(liabilities)		<u>39,597</u>	<u>(4,050)</u>
Net assets		<u><u>2,265,905</u></u>	<u><u>1,539,163</u></u>
Capital and reserves			
Called up share capital	17	250,000	250,000
Profit and loss account	18	2,015,905	1,289,163
		<u>2,265,905</u>	<u>1,539,163</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 20 October 2023.


C Argentieri
 Director

The notes on pages 14 to 22 form part of these financial statements.

INVICTA SECURITIES LIMITED

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2023

	Called up share capital £	Profit and loss account £	Total equity £
At 1 July 2021	250,000	1,118,066	1,368,066
Profit for the year	-	761,097	761,097
Dividends paid	-	(590,000)	(590,000)
At 1 July 2022	250,000	1,289,163	1,539,163
Profit for the year	-	1,219,056	1,219,056
Dividends paid	-	(492,314)	(492,314)
At 30 June 2023	250,000	2,015,905	2,265,905

The notes on pages 14 to 22 form part of these financial statements.

INVICTA SECURITIES LIMITED

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2023**

	2023	2022
	£	£
Cash flows from operating activities		
Profit for the financial year	1,219,056	761,097
Adjustments for:		
Depreciation of tangible assets	8,457	5,496
Interest paid	3	-
Interest received	(82,117)	(14,910)
Taxation charge	323,011	206,304
(Increase)/decrease in debtors	(119,307)	3,666,984
(Decrease) in creditors	(58,591)	(18,985)
Increase/(decrease) in amounts owed to groups	-	(14,447)
Net fair value losses recognised in P&L	21,367	126,941
Net unrealised foreign currency gains on listed investments	-	(17,177)
Corporation tax (paid)	(204,753)	(248,114)
Net cash generated from operating activities	1,107,126	4,453,189
Cash flows from investing activities		
Purchase of tangible fixed assets	(3,058)	(16,154)
Purchase of listed investments	(3,130,556)	(1,444,336)
Sale of listed investments	2,420,695	323,045
Interest received	6,138	4,855
Income from investments	75,979	-
Income from investments in related companies	-	10,055
Realised gains on disposal of fixed asset investments	-	2,327
Net cash from investing activities	(630,802)	(1,120,208)

INVICTA SECURITIES LIMITED

**STATEMENT OF CASH FLOWS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2023**

	2023	2022
	£	£
Cash flows from financing activities		
Dividends paid	(492,314)	(590,000)
Interest paid	(3)	-
Net cash used in financing activities	(492,317)	(590,000)
Net (decrease)/increase in cash and cash equivalents	(15,993)	2,742,981
Cash and cash equivalents at beginning of year	255,750	(2,487,231)
Cash and cash equivalents at the end of year	239,757	255,750
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	239,757	255,750
	239,757	255,750

**ANALYSIS OF NET DEBT
FOR THE YEAR ENDED 30 JUNE 2023**

	At 1 July 2022	Cash flows	At 30 June 2023
	£	£	£
Cash at bank and in hand	255,750	(15,993)	239,757
	255,750	(15,993)	239,757

The notes on pages 14 to 22 form part of these financial statements.

INVICTA SECURITIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

1. General information

Invicta Securities Limited is a limited liability company incorporated and domiciled in England and Wales. Its registered office and business address is 2 Kingdom Street, London, W2 6BD.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Foreign currency translation

The company's functional and presentational currency is £ sterling.

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions. At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Comprehensive Income.

2.3 Turnover

Turnover represents the profits or losses realised on matched trades and is recognised when the trades have been settled.

2.4 Pensions

The company contributes to a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the company in independently administered funds.

INVICTA SECURITIES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

2. Accounting policies (continued)

2.5 Taxation

Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

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

2.6 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

At each reporting date the company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives on the following basis:

Office equipment	-	25% straight line
Computer equipment	-	25% straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.7 Valuation of investments

Investments in listed bonds are remeasured to market value at each Statement of Financial Position date. Gains and losses on remeasurement are recognised in the Statement of Comprehensive Income.

Other investments are valued at the market values as at the reporting date. Gains and losses on remeasurement are recognised in the Statement of Comprehensive Income.

INVICTA SECURITIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

2. Accounting policies (continued)

2.8 Financial instruments

The Company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable and loans to related parties.

Debt instruments that are payable or receivable within one year, typically trade payables or receivables, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration, expected to be paid or received. The Company does not have debt instruments that are payable or receivable in more than one year.

Financial assets that are measured at cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Comprehensive Income.

Financial assets that are measured at fair value through the profit or loss are revalued at the end of each reporting period. These fair value movements are recognised in the Statement of Comprehensive Income.

Cash is represented by cash in hand and deposits with financial institutions.

2.9 Dividends

Equity dividends are recognised when they become legally payable.

3. Judgments in applying accounting policies and key sources of estimation uncertainty

There are no critical accounting estimates and judgments that materially affect the financial statements.

4. Turnover

Geographic split of turnover: UK 35% and Europe 65% (2022 - UK 35% and Europe 65%).

5. Operating profit

The operating profit is stated after charging:

	2023	2022
	£	£
Exchange differences	<u>(32,810)</u>	<u>(24,264)</u>

INVICTA SECURITIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

6. Auditors' remuneration

	2023 £	2022 £
Fees payable to the company's auditor for the audit of the company's annual financial statements	14,760	12,300
All other services	11,808	14,970
	<u>26,568</u>	<u>27,270</u>

7. Employees

Staff costs, including directors' remuneration, were as follows:

	2023 £	2022 £
Wages and salaries	528,021	400,875
Social security costs	81,317	63,106
Cost of defined contribution scheme	65,536	90,127
	<u>674,874</u>	<u>554,108</u>

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

	2023 No.	2022 No.
Directors	2	2
Administrative	1	1
	<u>3</u>	<u>3</u>

8. Directors' remuneration

	2023 £	2022 £
Directors' emoluments	114,661	60,877
Company contributions to defined contribution pension schemes	60,000	80,676
	<u>174,661</u>	<u>141,553</u>

During the year retirement benefits were accruing to 2 directors (2022 - 2) in respect of defined contribution pension schemes.

INVICTA SECURITIES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

9. Income from investments

	2023	2022
	£	£
Coupons receivable	75,979	10,055
	<u><u>75,979</u></u>	<u><u>10,055</u></u>

10. Taxation

	2023	2022
	£	£
Corporation tax		
Current tax on profits for the year	323,011	206,411
Adjustments in respect of previous periods	-	(106)
Total current tax	323,011	206,305
	<u><u>323,011</u></u>	<u><u>206,305</u></u>

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2022 - higher than) the standard rate of corporation tax in the UK of 20.5% (2022 - 19%). The differences are explained below:

	2023	2022
	£	£
Profit on ordinary activities before tax	1,542,067	967,402
	<u><u>1,542,067</u></u>	<u><u>967,402</u></u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20.5% (2022 - 19%)	316,124	183,806
Effects of:		
Expenses not deductible for tax purposes	(4,407)	25,323
Depreciation for year in excess of capital allowances	966	(2,946)
Adjustments to tax charge in respect of prior periods	-	(106)
Capital gains	10,328	228
Total tax charge for the year	323,011	206,305
	<u><u>323,011</u></u>	<u><u>206,305</u></u>

Factors that may affect future tax charges

There were no factors that may affect future tax charges.

INVICTA SECURITIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

11. Dividends

	2023 £	2022 £
Dividends paid on equity capital	492,314	590,000

12. Tangible fixed assets

	Office equipment £	Computer equipment £	Total £
Cost			
At 1 July 2022	27,950	18,356	46,306
Additions	889	2,169	3,058
At 30 June 2023	<u>28,839</u>	<u>20,525</u>	<u>49,364</u>
Depreciation			
At 1 July 2022	10,642	13,862	24,504
Charge for the year on owned assets	5,426	3,031	8,457
At 30 June 2023	<u>16,068</u>	<u>16,893</u>	<u>32,961</u>
Net book value			
At 30 June 2023	<u>12,771</u>	<u>3,632</u>	<u>16,403</u>
At 30 June 2022	<u>17,308</u>	<u>4,494</u>	<u>21,802</u>

INVICTA SECURITIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

13. Fixed asset investments

	Listed investments £
Market value	
At 1 July 2022	1,521,411
Additions	3,130,556
Disposals	(2,420,695)
Revaluations	(21,367)
At 30 June 2023	2,209,905

14. Debtors

	2023 £	2022 £
Due after more than one year		
Other debtors	-	98,467
Due within one year		
Trade debtors	5,320	11,053
Other debtors	190,332	4,004
Prepayments and accrued income	40,518	27,489
Tax recoverable	38,099	13,947
	274,269	56,493

INVICTA SECURITIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

15. Creditors: Amounts falling due within one year

	2023 £	2022 £
Trade creditors	5,204	520
Corporation tax	324,669	206,411
Other taxation and social security	9,726	10,038
Other creditors	23,437	22,545
Accruals and deferred income	111,394	175,247
	<u>474,430</u>	<u>414,761</u>

16. Financial instruments

	2023 £	2022 £
Financial assets		
Financial assets measured at fair value through profit or loss	<u>2,209,905</u>	<u>1,521,412</u>

Financial assets measured at fair value through profit or loss comprise investments held by the company.

All other financial assets and liabilities are basic financial instruments measured at amortised cost.

17. Share capital

	2023 £	2022 £
Allotted, called up and fully paid		
250,000 'A' ordinary shares of £1 each	<u>250,000</u>	<u>250,000</u>

18. Reserves

Profit and loss account

The profit and loss reserve contains the cumulative balance of retained profit and losses since the company started trading. Included within this reserve are cumulative unrealised fair value gains and losses relating to the investments held as detailed in note 13, which are not distributable. All other amounts in this reserve are distributable.

INVICTA SECURITIES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

19. Pension commitments

The company contributes to a defined contributions pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension charges represent contributions payable to the fund and amounted to £65,536 (2022 - 90,127). Pension contributions due to the fund at the reporting date were £nil (2022 - £nil).

20. Related party transactions

At the reporting date the company was owed £138,521 (2022 - £74,314) by one of its directors. The loan was repaid in full within nine months of the year end and therefore no addition interest was charged.

The company has taken advantage of the exemption in Financial Reporting Standard 102 from the requirement to disclose transactions with wholly owned entities in the group.

Key management personnel include all directors who together have the authority and responsibility for planning, directing and controlling the activities of the company. Compensation to key management personnel consists only of the directors' remuneration as set out in note 8.

21. Controlling party

The ultimate controlling party is C Argentieri, by virtue of a majority shareholding.

INVICTA SECURITIES LIMITED

DETAILED ACCOUNTS

FOR THE YEAR ENDED 30 JUNE 2023

INVICTA SECURITIES LIMITED

DETAILED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30 JUNE 2023

	2023 £	2022 £
Turnover	3,125,990	2,562,443
Cost of sales	(600,683)	(599,097)
Gross profit	2,525,307	1,963,346
Less: overheads		
Administration expenses	(1,093,405)	(901,991)
Fair value movements	(21,367)	(120,305)
Operating profit	1,410,535	941,050
Interest receivable	6,138	4,855
Interest payable	(3)	-
Investment income	125,397	21,497
Profit for the year	1,542,067	967,402

INVICTA SECURITIES LIMITED

SCHEDULE TO THE DETAILED ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2023

	2023 £	2022 £
Turnover		
Fees receivable	3,125,990	2,562,443
	<u> </u>	<u> </u>
	2023 £	2022 £
Cost of sales		
Commissions and fees payable	600,683	599,097
	<u> </u>	<u> </u>

INVICTA SECURITIES LIMITED

**SCHEDULE TO THE DETAILED ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2023**

	2023 £	2022 £
Administration expenses		
Directors salaries	110,000	56,667
Directors private health insurance	4,661	4,210
Directors pension costs	60,000	80,676
Staff salaries	413,360	339,998
Staff national insurance	81,317	63,106
Staff pension costs	5,536	9,451
Entertainment	11,959	8,027
Hotels, travel and subsistence	17,717	4,873
Consultancy	18,098	11,953
Printing and stationery	874	729
Postage	26	527
Telephone and fax	4,725	3,266
Computer costs	15,074	13,625
Trade subscriptions	7,349	6,378
Charity donations	857	885
Legal and professional	125,023	83,036
Auditors' remuneration	14,760	15,660
Accountancy fees	12,784	17,540
Bank charges	42,562	39,643
Difference on foreign exchange	(32,810)	(24,264)
Sundry expenses	307	105
Rent	42,609	39,872
Rates	191	-
Insurances	-	220
Repairs and maintenance	189	-
Market data	127,780	120,311
Depreciation - office equipment	5,426	4,628
Depreciation - computer equipment	3,031	869
	1,093,405	901,991
	2023 £	2022 £
Interest receivable		
Bank interest receivable	5,058	-
Other interest receivable	1,080	4,855
	6,138	4,855

INVICTA SECURITIES LIMITED

SCHEDULE TO THE DETAILED ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2023

	2023 £	2022 £
Interest payable		
Other interest	3	-
	<u>3</u>	<u>-</u>
	2023 £	2022 £
Investment income		
Income from fixed asset investments	75,979	10,055
Profit/(loss) on disposal of listed investments	49,418	11,442
	<u>125,397</u>	<u>21,497</u>