

Company Registration No. 06819047 (England and Wales)

**HANTEC MARKETS LIMITED & SUBSIDIARY**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**



# HANTEC MARKETS LIMITED & SUBSIDIARY

## COMPANY INFORMATION

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<b>Directors</b>	B Nurmohamed A C Sharpe C B Tang Man-Woon James Yu Richard Cohen Ngok Fung Lam	(Appointed 27 April 2022) (Appointed 27 April 2022)
<b>Company number</b>	06819047	
<b>Registered office</b>	43 - 45 Dorset Street London W1U 7NA	
<b>Auditor</b>	Fisher, Sassoon & Marks 43 - 45 Dorset Street London W1U 7NA	
<b>Business address</b>	5 - 6 Newbury Street London United Kingdom EC1A 7HU	

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# HANTEC MARKETS LIMITED & SUBSIDIARY

## CONTENTS

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	<b>Page</b>
Strategic report	1
Directors' report	2 - 3
Independent auditor's report	4 - 6
Consolidated income statement	7
Consolidated statement of comprehensive income	8
Consolidated statement of financial position	9
Company statement of financial position	10
Consolidated statement of changes in equity	11
Company statement of changes in equity	12
Consolidated statement of cash flows	13
Notes to the financial statements	14 - 30

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# HANTEC MARKETS LIMITED & SUBSIDIARY

## STRATEGIC REPORT

### FOR THE YEAR ENDED 31 DECEMBER 2021

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The directors present the strategic report for the period ended 31 December 2021.

This strategic report for Hantec Markets Limited and subsidiary ("The Group") has been prepared for the group as a whole and therefore gives greater emphasis to those matters which are significant to company and its subsidiary undertaking when viewed as a whole.

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

The Group's business developed in line with the board's expectations and the results for the period and the financial position at the period end were considered satisfactory, given the increasing competition and regulation within the sector. The Group's client numbers, client deposits and trade volumes all increased in the year.

The Group continues to look for opportunities overseas for expansion.

#### **Principal risks and uncertainties**

The principal activity of the Group was dealing in Contract for Differences, gives rise to financial risks in the ordinary course of business. The risk management undertaken mitigates the risks as detailed in the company's Internal Capital Adequacy Assessment Process (ICAAP). The ICAAP provides an ongoing assessment of the risks that the Company believes have the potential to have a significant detrimental impact on its financial performance. The board sets the strategy and policies for the management of these risks and assigns the management and monitoring of these risks as appropriate. The main financial risks arising from the Company's business activities are identified as market risk, operational risk, liquidity risk, counterparty and credit risk.

The principal risks are further detailed in the Company's Pillar 3 statement.

#### **Development and performance**

The Group had net assets in excess of £5.98 million (2020: £5.97 million) which included £4.8 million of cash balances. Accordingly, the Group has a strong balance sheet and is well placed to achieve its long term strategy.

#### **Key performance indicators**

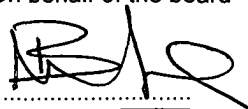
Key performance indicators are turnover £5,397,103 (2020 £7,888,525 (18 months)) an increase of 2.6%. Operating losses £2,472 (2020 profit £478,430) and net assets to £5,980,374 from £5,967,897. The increase in net assets was primarily due to profit made during the year.

#### **Directors' statement of compliance with duty to promote the success of the Group**

The directors of the group have acted in a way that they consider, in good faith, would most likely promote the success of the group 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 group's employees,
- the need to foster the group's business relationships with customer and others,
- the impact of the group's operations on the community and environment,
- the desirability of the group maintaining a reputation for high standards of business conduct, and
- the need to act fairly among shareholders, employees and customers of the group

On behalf of the board



B Nurmohamed

Director

28 November 2022

# HANTEC MARKETS LIMITED & SUBSIDIARY

## DIRECTORS' REPORT

### FOR THE YEAR ENDED 31 DECEMBER 2021

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The directors present their annual report together with strategic report and the consolidated financial statements for the period ended 31 December 2021.

#### **Principal activities**

The principal activity of the Group is that of provision of investment services and acting as principal to its clients in foreign exchange and derivatives including index Contracts For Difference ("CFD").

The company is authorised by the Financial Conduct Authority to deal as principal and agent in investments and arranging investment business.

#### **Directors**

The directors who held office during the period and up to the date of signature of the financial statements were as follows:

B Nurmohamed	
Yu Lap Tang	(Resigned 27 April 2022)
Hayel Abu-Hamdan	(Resigned 27 April 2022)
Man-Woon James Yu	
Richard Cohen	
Ngok Fung Lam	
A C Sharpe	(Appointed 27 April 2022)
C B Tang	(Appointed 27 April 2022)

#### **Results and dividends**

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

No ordinary dividends were paid in the period. The directors do not recommend payment of a further dividend.

#### **Supplier payment policy**

The group's current policy concerning the payment of trade creditors is to:

- settle the terms of payment with suppliers when agreeing the terms of each transaction;
- ensure that suppliers are made aware of the terms of payment by inclusion of the relevant terms in contracts; and
- pay in accordance with the group's contractual and other legal obligations.

#### **Financial instruments**

##### **Liquidity risk**

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

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

The group's principal foreign currency exposures arise from trading with overseas companies. The group 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, borrowings and derivative instruments 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.

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# HANTEC MARKETS LIMITED & SUBSIDIARY

## DIRECTORS' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 DECEMBER 2021**

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### **Future developments**

The directors are confident about the group's progress and believe the group is well placed to make further progress during the coming year.

### **Auditor**

The auditor, Fisher, Sassoon & Marks, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

### **Statement of directors' responsibilities**

The directors are responsible for preparing the group strategic report, directors' report and the consolidated 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), 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 the group and of the profit or loss of the group for that period. In preparing these financial statements, the directors are 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 group 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 group and 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 group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### **Matters covered in the strategic report**

Information required by schedule 7 of large and medium sized companies and groups (Accounts and Reports) Regulation 2008 to be contained in the directors' report.

### **Energy and carbon report**

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

### **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 and group'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 and group's auditor is aware of that information.

On behalf of the board



B Nurmohamed

**Director**

Date: 28 November 2022

# HANTEC MARKETS LIMITED & SUBSIDIARY

## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF HANTEC MARKETS LIMITED & SUBSIDIARY

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#### Opinion

We have audited the financial statements of Hantec Markets Limited (the 'parent company') and its subsidiary (the group) for the period ended 31 December 2021 which comprise the statement of comprehensive income, the group and company statement of financial position, the group and company statement of changes in equity, the group 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 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 group's and the parent company's affairs as at 31 December 2021 and of the group's 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 group 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 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 group and parent 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.

#### 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 directors are 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 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.
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# HANTEC MARKETS LIMITED & SUBSIDIARY

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE MEMBERS OF HANTEC MARKETS LIMITED & SUBSIDIARY

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

In the light of the knowledge and understanding of the group and parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' report.

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

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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, 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 group and the parent 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 group and the parent 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 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.

#### **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.

# HANTEC MARKETS LIMITED & SUBSIDIARY

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE MEMBER OF HANTEC MARKETS LIMITED & SUBSIDIARY

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We assessed the susceptibility of the group'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 group'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.

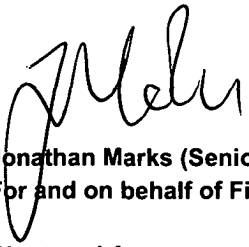
In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- 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 group'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.

#### 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

Chartered Accountants  
Statutory Auditor

28/11/2022

43 - 45 Dorset Street  
London  
W1U 7NA

# HANTEC MARKETS LIMITED & SUBSIDIARY

## CONSOLIDATED INCOME STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2021

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	Notes	2021 £	2020 £
<b>Turnover</b>	<b>3</b>	5,397,103	7,888,525
Administrative expenses		(5,436,242)	(7,495,093)
Other operating income		36,667	84,998
<b>Operating profit / (loss)</b>	<b>4</b>	(2,472)	478,430
Interest receivable and similar income	<b>7</b>	11,219	51,009
Interest payable and similar expenses	<b>8</b>	(1,866)	-
Amounts written off investments	<b>9</b>	-	(150,000)
<b>Profit before taxation</b>		6,881	379,439
Tax on profit	<b>10</b>	19,992	(39,173)
<b>Profit / (loss) for the financial year</b>		26,873	340,266
Profit for the year attributable to:			
Non – controlling Interest		(45,210)	(142,153)
Owner of the parent company		72,083	482,419
		26,873	340,266

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The income statement has been prepared on the basis that all operations are continuing operations.

**HANTEC MARKETS LIMITED & SUBSIDIARY**  
**CONSOLIDATED STATEMENT OF TOTAL COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

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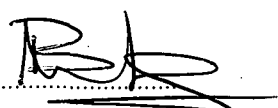
	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
<b>Profit / (loss) for the year</b>	26,873	340,266
<b>Other comprehensive income</b>	14,396	81,416
<b>Total comprehensive income for the year</b>	<u>41,269</u>	<u>421,682</u>

**HANTEC MARKETS LIMITED & SUBSIDIARY**  
**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2021**

	Notes	£	2021 £	£	2020 £
<b>Fixed assets</b>					
Tangible assets	13		659,603		457,489
Investment property	15		-		850,000
			<u>659,603</u>		<u>1,307,489</u>
<b>Current assets</b>					
Debtors	19	1,209,064		1,012,361	
Cash at bank and in hand		<u>4,800,845</u>		<u>4,535,453</u>	
			<u>6,009,909</u>		<u>5,547,814</u>
<b>Creditors: amounts falling due within one year</b>	20	<u>(613,999)</u>		<u>(855,829)</u>	
<b>Net current assets</b>			<u>5,395,910</u>		<u>4,691,985</u>
<b>Total assets less current liabilities</b>			<u>6,055,513</u>		<u>5,999,474</u>
<b>Creditors: amounts falling due after more than one year</b>	21		(75,139)		
<b>Provisions for liabilities</b>	23		-		(31,577)
<b>Net assets</b>			<u>5,980,374</u>		<u>5,967,897</u>
<b>Capital and reserves</b>					
Called up share capital	27		3,000,000		3,000,000
Share premium account			338,015		338,015
Other reserves			8,825		143,444
Profit and loss reserves			1,889,347		1,682,645
Foreign exchange reserves			(48,865)		(41,523)
<b>Equity attributable to owners of the Parent Company</b>			<u>5,187,322</u>		<u>5,122,581</u>
Non-controlling interest	26		<u>793,052</u>		<u>845,316</u>
<b>Total equity</b>			<u>5,980,374</u>		<u>5,967,897</u>

The financial statements were approved by the board of directors and authorised for issue on 28 November 2022

B Nurmohamed  
 Director

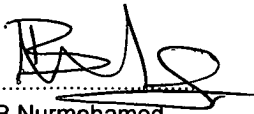


Company Registration No. 06819047

**HANTEC MARKETS LIMITED & SUBSIDIARY**  
**COMPANY STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2021**

	Notes	2021		2020	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	14		257,555		26,915
Investment property	15		-		850,000
Investments	16		960,854		960,854
			<u>1,218,409</u>		<u>1,837,769</u>
<b>Current assets</b>					
Debtors	19	1,024,534		796,211	
Cash at bank and in hand		3,678,631		3,397,004	
		<u>4,703,165</u>		<u>4,193,215</u>	
<b>Creditors: amounts falling due within one year</b>					
	20	(424,062)		(696,172)	
<b>Net current assets</b>			<u>4,279,103</u>		<u>3,497,043</u>
<b>Total assets less current liabilities</b>			5,497,512		5,334,812
<b>Creditors: amounts falling due after more than one year</b>					
	21		(75,139)		
<b>Provisions for liabilities</b>	23		-		(31,577)
<b>Net assets</b>			<u>5,422,373</u>		<u>5,303,235</u>
<b>Capital and reserves</b>					
Called up share capital	27	3,000,000		3,000,000	
Share premium account		338,015		338,015	
Other reserves		-		134,619	
Profit and loss reserves		2,084,358		1,830,601	
<b>Total equity</b>			<u>5,422,373</u>		<u>5,303,235</u>

The financial statements were approved by the board of directors and authorised for issue on 28 November 2022



B Nurmohamed  
 Director

Company Registration No. 06819047

**HANTEC MARKETS LIMITED & SUBSIDIARY**  
**CONSOLIDATED STATEMENT OF CHANGE IN EQUITY**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

	Share capital	Share premium	Foreign exchange reserve	Other reserves	Profit and loss reserves	Non-Controlling	Total
	£	£	£	£	£	g £	£
<b>Balance at 1 July 2019</b>	3,000,000	338,015	-	256,119	1,078,726	1,018,883	5,691,743
<b>Period ended 31 December 2020:</b>							
Profit and total comprehensive income for the year	-	-	-	-	482,419	(142,153)	340,266
Currency translation differences	-	-	(41,523)	-	-	(39,893)	(81,416)
NCI movements	-	-	-	-	-	-	-
Transfers	-	-	-	(121,500)	121,500	-	-
Other reserves	-	-	-	8,825	-	8,479	17,304
<b>Balance at 31 December 2020</b>	<b>3,000,000</b>	<b>338,015</b>	<b>(41,523)</b>	<b>143,444</b>	<b>1,682,645</b>	<b>845,316</b>	<b>5,967,897</b>
<b>Year ended 31 December 2021:</b>							
Profit and total comprehensive income for the year	-	-	-	-	72,083	(45,210)	26,873
NCI movements	-	-	-	-	-	-	-
Transfers	-	-	-	(134,619)	134,619	-	-
Currency translation differences	-	-	(7,342)	-	-	(7,054)	(14,396)
Other reserves	-	-	-	-	-	-	-
<b>Balance at 31 December 2021</b>	<b>3,000,000</b>	<b>338,015</b>	<b>(48,865)</b>	<b>8,825</b>	<b>1,889,347</b>	<b>793,052</b>	<b>5,980,374</b>

**HANTEC MARKETS LIMITED & SUBSIDIARY**  
**COMPANY STATEMENT OF CHANGE IN EQUITY**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

	Share capital £	Share premium account £	Other reserves £	Profit and loss reserves £	Total £
<b>Balance at 1 July 2019</b>	3,000,000	338,015	256,119	1,414,808	5,008,942
<b>Year ended 31 December 2020:</b>					
Profit and total comprehensive income for the year	-	-	-	294,293	294,293
Transfers	-	-	(121,500)	121,500	-
<b>Balance at 31 December 2020</b>	3,000,000	338,015	134,619	1,830,601	5,303,235
<b>Year ended 31 December 2021:</b>					
Profit and total comprehensive income for the year	-	-	-	119,138	119,138
Transfers	-	-	(134,619)	134,619	-
<b>Balance at 31 December 2021</b>	<u>3,000,000</u>	<u>338,015</u>	<u>-</u>	<u>2,084,358</u>	<u>5,422,373</u>

**HANTEC MARKETS LIMITED & SUBSIDIARY**  
**CONSOLIDATED STATEMENT OF CASH FLOW**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

	Notes	2021		2020	
		£	£	£	£
<b>Cash flows from operating activities</b>					
Cash generated from operations	31		(265,396)		940,712
Interest paid			(1,866)		-
Income taxes paid			(43,448)		(24,649)
			<u>          </u>		<u>          </u>
<b>Net cash (outflow)/inflow from operating activities</b>			(310,710)		916,063
<b>Investing activities</b>					
Purchase of tangible fixed assets		(256,212)		(192,194)	
Proceeds on disposal of Investment Property		825,500		-	
Interest received		11,219		51,009	
		<u>          </u>		<u>          </u>	
<b>Net cash generated from/(used in) investing activities</b>			580,507		(141,185)
<b>Financing activities</b>					
Payment of finance lease obligations		(4,405)		-	
		<u>          </u>		<u>          </u>	
<b>Net cash used in financing activities</b>			(4,405)		-
<b>Net (decrease)/increase in cash and cash equivalents</b>			265,392		774,878
Cash and cash equivalents at beginning of year			4,535,453		3,760,575
			<u>          </u>		<u>          </u>
<b>Cash and cash equivalents at end of year</b>			<u>4,800,845</u>		<u>4,535,453</u>

# HANTEC MARKETS LIMITED & SUBSIDIARY

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

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### 1 Accounting policies

#### Company information

Hantec Markets Limited is a private company limited by shares incorporated in England and Wales. The registered office is 43 - 45 Dorset Street, London, W1U 7NA.

#### 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, modified to include the revaluation of freehold properties and to include investment properties at fair value. The principal accounting policies adopted are set out below.

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of comprehensive income in these financial statements.

#### 1.2 Going concern

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

#### 1.3 Reporting period

The Company has extended its accounting period from June to December 2020, so that comparative amounts presented in the financial statements (including the related notes) are not entirely comparable.

#### 1.4 Basis of consolidation

The consolidated financial statements present the results of the parent company and its subsidiary ("the Group") as if they formed a single entity. Intercompany transactions and balances between group entities are therefore eliminated in full.

#### 1.5 Turnover

Turnover represents amounts receivable for undertaking brokerage services in contracts for differences and is measured at net consideration received/paid on all realised and the net market value of open positions with clients and all other counterparties.

The recognition of income results directly from the recognition on financial assets and liabilities on an aggregate basis by each asset class determine the net gain or loss for that asset class in accordance with FRS 102 section 11.48. CFD positions are viewed as a single asset class.

#### 1.6 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	20% Straight Line basis
Computer equipment	20% Straight Line basis

# HANTEC MARKETS LIMITED & SUBSIDIARY

## NOTES TO THE FINANCIAL STATEMENTS

**FOR THE YEAR ENDED 31 DECEMBER 2021**

---

### 1. Accounting policies

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.

#### 1.7 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in the income statement.

#### 1.8 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.

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

#### 1.9 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.

# HANTEC MARKETS LIMITED & SUBSIDIARY

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 DECEMBER 2021

---

#### 1 Accounting policies

##### 1.10 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.

##### 1.11 Financial instruments

The group 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 statement of financial position 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.

##### **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.

**HANTEC MARKETS LIMITED & SUBSIDIARY**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

---

**1 Accounting policies**

***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.

***Derecognition of financial liabilities***

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

**1.12 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.

**1.13 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.

**1.14 Taxation**

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

**HANTEC MARKETS LIMITED & SUBSIDIARY**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

---

**1 Accounting policies**

***Current tax***

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement 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 income statement, 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.

**1.15 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.

**1.16 Retirement benefits**

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

**1.17 Leases**

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

**1.18 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 income statement for the period.

**HANTEC MARKETS LIMITED & SUBSIDIARY**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

**1 Accounting policies**

**1.19 Client monies**

The Company holds money on behalf of clients in accordance with the client money rules of its regulator. Client monies held in segregated bank and settlement accounts in accordance with regulations and the corresponding liabilities to these clients are not recognised in the Balance Sheet. At 31 December 2021, amounts held by the Company on behalf of clients in accordance with the Client Assets Rules of the Financial Conduct Authority amounted to £24,254,423 ( 2020: £18,095,692).

**2 Judgements and key sources of estimation uncertainty**

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying 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:

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
<b>Turnover analysed by class of business</b>		
Commission from broking	5,397,103	7,888,525
	<u>                    </u>	<u>                    </u>
	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
<b>Other significant revenue</b>		
Interest income	11,219	51,009
	<u>                    </u>	<u>                    </u>

The Group's income is derived from trading in CFDs as principal which, for the purposes of segmental analysis, is considered by the directors to be a single global market.

**4 Operating profit**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Operating profit for the year is stated after charging/(crediting):		
Exchange losses	26,024	29,507
Fees payable to the company's auditor for the audit of the company's financial statements	18,626	25,000
Depreciation of owned tangible fixed assets	58,503	46,201
	<u>                    </u>	<u>                    </u>

**HANTEC MARKETS LIMITED & SUBSIDIARY**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

**5 Employees**

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

	<b>2021</b>	<b>2020</b>
	<b>Number</b>	<b>Number</b>
Management	6	6
Sales/marketing	31	23
Admin/operation	14	14
	<u>51</u>	<u>43</u>

Their aggregate remuneration comprised:

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Wages and salaries	2,359,463	3,382,471
Social security costs	261,339	393,124
Pension costs	123,346	144,219
	<u>2,744,148</u>	<u>3,919,814</u>

**6 Directors' remuneration**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Remuneration for qualifying services	427,887	672,306
Company pension contributions to defined contribution schemes	52,384	78,576
	<u>480,271</u>	<u>750,882</u>

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 2 (2020 - 2).

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

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Remuneration for qualifying services	225,277	338,417
Company pension contributions to defined contribution schemes	24,000	36,000
	<u>249,277</u>	<u>374,417</u>

**HANTEC MARKETS LIMITED & SUBSIDIARY**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

<b>7</b>	<b>Interest receivable and similar income</b>		
		<b>2021</b>	<b>2020</b>
		<b>£</b>	<b>£</b>
	<b>Interest income</b>		
	Interest on bank deposits	11,219	51,009
		<u>          </u>	<u>          </u>
	Investment income includes the following:		
	Interest on financial assets not measured at fair value through profit or	11,219	51,009
		<u>          </u>	<u>          </u>
<b>8</b>	<b>Interest payable and similar expenses</b>		
		<b>2021</b>	<b>2020</b>
		<b>£</b>	<b>£</b>
	<b>Other finance costs:</b>		
	Other interest	1,866	-
		<u>          </u>	<u>          </u>
<b>9</b>	<b>Amount written off investments</b>		
		<b>2021</b>	<b>2020</b>
		<b>£</b>	<b>£</b>
	Change in fair value of investment property	-	(150,000)
		<u>          </u>	<u>          </u>
<b>10</b>	<b>Taxation</b>		
		<b>2021</b>	<b>2020</b>
		<b>£</b>	<b>£</b>
	<b>Current tax</b>		
	UK corporation tax on profits for the current period	11,585	43,448
	Adjustments in respect of prior periods	-	-
	Foreign tax on income of the year	-	24,225
		<u>          </u>	<u>          </u>
	Total current tax	11,585	67,673
		<u>          </u>	<u>          </u>
	<b>Deferred tax</b>		
	Origination and reversal of timing differences	(31,577)	(28,500)
		<u>          </u>	<u>          </u>
	Total tax charge/(credit)	(19,992)	39,173
		<u>          </u>	<u>          </u>

# HANTEC MARKETS LIMITED & SUBSIDIARY

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

### 11 Taxation

(Continued)

The actual (credit)/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:

	2021 £	2020 £
Profit/(loss) before taxation	<u>6,881</u>	<u>379,439</u>
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2019: 19.00%)	1,307	72,094
Tax effect of expenses that are not deductible in determining taxable profit	12,384	9,014
Permanent capital allowances in excess of depreciation	(38,418)	(4,597)
Depreciation on assets not qualifying for tax allowances	5,371	2,626
Research and development tax credit	-	(50,851)
Foreign Tax	-	24,225
Effect of revaluation of investments	-	28,500
Deferred tax adjustments	(31,577)	(28,500)
Other adjustments	<u>30,941</u>	<u>(13,338)</u>
Taxation charge/(credit) for the year	<u>(19,992)</u>	<u>39,173</u>

# HANTEC MARKETS LIMITED & SUBSIDIARY

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 DECEMBER 2021

#### 12. Parent Company Profit for the period

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Comprehensive Income in these financial statements. The profit after tax of the parent company year ended 31 December 2021 was £ 119,138 (2020: £ 294,293).

#### 13. Tangible fixed assets

##### Group

	Lease Hold	Fixture and Fittings	License	Motor Vehicles	Computer Equipment	Total
	£	£	£	£	£	£
<b>Cost or valuation</b>						
At 1 January 2021	164,451	99,767	222,151	-	289,723	776,092
Additions	73,323	59,757	-	109,115	37,016	279,211
FX on costs	1,546	(3,984)	(13,750)	-	(2,406)	(18,594)
At 31 December 2021	239,320	155,540	208,401	109,115	324,333	1,036,709
<b>Depreciation</b>						
At 1 January 2021	3,300	57,983	-	-	257,320	318,603
Charge for the period	7,338	24,823	-	9,093	17,249	58,503
At 31 December 2021	10,638	82,806	-	9,093	274,569	377,106
<b>Net book value</b>						
At 31 December 2021	228,682	72,734	208,401	100,022	49,764	659,603
At 31 December 2020	161,151	41,784	222,151	-	32,403	457,489

**HANTEC MARKETS LIMITED & SUBSIDIARY**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

**14 Tangible fixed assets**

Company	Leasehold Improvements	Fixtures, Computer fittings & equipment	Computer equipment	Motor Vehicles	Total
	£	£	£	£	£
<b>Cost</b>					
At 1 January 2021	-	30,836	250,846	-	281,682
Additions	69,155	43,623	37,016	109,115	258,909
At 31 December 2021	<u>69,155</u>	<u>74,459</u>	<u>287,862</u>	<u>109,115</u>	<u>540,591</u>
<b>Depreciation and impairment</b>					
At 1 January 2021	-	20,130	234,637	-	254,767
Depreciation charged in the year	3,842	7,254	8,080	9,093	28,269
At 31 December 2021	<u>3,842</u>	<u>27,384</u>	<u>242,717</u>	<u>9,093</u>	<u>283,036</u>
<b>Carrying amount</b>					
At 31 December 2021	<u>65,313</u>	<u>47,075</u>	<u>45,145</u>	<u>100,022</u>	<u>257,555</u>
At 31 December 2020	<u>-</u>	<u>10,706</u>	<u>16,209</u>	<u>-</u>	<u>26,915</u>

The net carrying value of tangible fixed assets includes the following in respect of assets held under finance leases or hire purchase contracts.

	2021	2020
	£	£
Motor Vehicles	100,022	-

Assets acquired under hire purchase are secured against the hire purchase agreement.

**15 Investment property**  
**Group and Company**

	2021
	£
<b>Fair value</b>	
At 1 January 2021	850,000
Disposal	(850,000)
As 31 December 2021	<u>-</u>

# HANTEC MARKETS LIMITED & SUBSIDIARY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

Investment property comprises a lease hold property. The fair value of the investment property has been arrived at on the basis of a valuation carried out by an independent valuer. The valuation was made on an open market value basis by reference to market evidence of transaction prices for similar properties.

### 16 Fixed asset investments Company

	Notes	2021 £	2020 £
Investments in subsidiaries	17	960,854	960,854

#### Movements in fixed asset investments

	Shares in group undertakings £
<b>Cost or valuation</b>	
At 1 January 2021	-
	960,854
At 31 December 2021	960,854
<b>Carrying amount</b>	
At 31 December 2021	960,854
At 31 December 2020	960,854

### 17 Subsidiaries

Details of the company's subsidiaries as at 31 December 2021 are as follows:

Name of undertaking	Registered office	Shares held	
		Class	%
Hantec Markets Limited (Jordan)	Jordan	Ordinary	51

	Group 2021 £	Company 2021 £	Group 2020 £	Company 2020 £
<b>18 Financial instruments</b>				
<b>Carrying amount of financial assets</b>				
Debt instruments measured at amortised cost	361,995	255,997	520,524	547,357
<b>Carrying amount of financial liabilities</b>				
Measured at amortised cost	613,999	412,477	855,829	546,921

**HANTEC MARKETS LIMITED & SUBSIDIARY**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

**19 Debtors**

	Group 2021	Company 2021	Group 2020	Company 2020
Amounts falling due within one year:	£	£	£	£
Trade debtors and trading assets	361,995	255,997	520,524	520,524
Amounts due from group undertakings	587,204	587,204	-	-
Other debtors	108,085	56,275	238,729	59,747
Prepayments and accrued income	151,780	125,058	253,108	215,940
	<u>1,209,064</u>	<u>1,024,534</u>	<u>1,012,361</u>	<u>796,211</u>

At the year end, the company was owed £45,212 (2020: £58,780) by Hantec Markets Australia Pty Limited in respect of commission fees.

**20 Creditors falling due within one year**

	Group 2021	Company 2021	Group 2020	Company 2020
	£	£	£	£
Obligations under finance lease	10,571	10,571	-	-
Trade creditors and trading liabilities	310,868	82,620	222,863	63,263
Amount due to group undertakings	-	84,656	133,491	177,445
Corporation tax	11,585	11,585	43,448	43,448
Other taxation and social security	-	-	149,814	105,803
Accruals and deferred income	280,975	234,630	306,213	306,213
	<u>613,999</u>	<u>424,062</u>	<u>855,829</u>	<u>696,172</u>

**21 Creditors falling due after more than one year**

	2021	2020
	£	£
Obligations under finance lease	75,139	-

**22 Finance lease obligations**

	2021	2020
	£	£
Finance minimum lease payments due under finance leases:		
Within one year	10,571	-
In two to five years	81,856	-
	<u>92,427</u>	<u>-</u>
Less: future finance charges	(6,717)	-
	<u>85,710</u>	<u>-</u>

**HANTEC MARKETS LIMITED & SUBSIDIARY**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

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**22 Finance lease obligations (Continued)**

Finance lease payments represent rentals payable by the company for certain items of plant and machinery. Leases include purchase options at the end of the lease period, and no restrictions are placed on the use of assets. The average lease term is three years. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments.

**23 Provisions for liabilities**

	Group 2021 £	Company 2021 £	Group 2020 £	Company 2020 £
Investment property	-	-	31,577	31,577
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

**24 Deferred taxation**

Deferred tax assets and liabilities are offset where the company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

	Group 2021 £	Company 2021 £	Group 2020 £	Company 2020 £
Balances:				
Investment property	-	-	31,577	31,577
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

**25 Retirement benefit schemes**

	2021 £	2020 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	123,346	144,219
	<u>          </u>	<u>          </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.

**HANTEC MARKETS LIMITED & SUBSIDIARY**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

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<b>26 Non-controlling interest</b>		
	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Balance brought forward	845,316	1,018,883
Other movements in the year	(52,264)	(173,567)
<b>Total</b>	<u>793,052</u>	<u>845,316</u>

**Representing**

Capital contributions	-	-
losses to non-controlling interest	(52,264)	(173,567)
<b>Total</b>	<u>(52,264)</u>	<u>(173,567)</u>

<b>27 Share capital</b>		
	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
<b>Ordinary share capital</b>		
<b>Issued and fully paid</b>		
3,000,000 Ordinary shares of £1 each	<u>3,000,000</u>	<u>3,000,000</u>

**28 Related party transactions**

**Remuneration of key management personnel**

The remuneration of key management personnel is as follows.

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Aggregate compensation	<u>412,887</u>	<u>629,474</u>

# HANTEC MARKETS LIMITED & SUBSIDIARY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

### Transactions with related parties

During the period, the company received commission fees income from Hantec Markets Australia Pty Limited and Hantec Markets Limited (Mauritius) £675,046 and £2,038,137 respectively, both entities are within group undertaking. During the period, the company paid commission fees to its subsidiary Hantec Markets Limited (Jordan) £389,505 (2020 £614,637). The commissions are on normal commercial terms and at arm's length.

The following amounts were outstanding at the reporting end date:

At the period end the Company was owed £45,212 (2020: £58,780) by Hantec Markets Australia Pty Limited and the company was owed £587,204 (2020: owed £133,491 to) from Hantec Market Limited (Mauritius). At the year end, the company owed £84,656 (2020: £43,954) to Hantec Markets Limited (Jordan).

### 29 Directors' transactions

During the year, the Company paid consultancy fees of £15,000 (2020: £22,508) to Mr. R Cohen, a non-executive director of the Company.

### 30 Ultimate controlling party

The Company's immediate parent undertaking is Hantec Markets Holding Limited (formerly know as Hantec Capital Group Holding Limited), a company incorporated in Hong Kong.

There is no ultimate controlling party.

### 31 Cash generated from operations

	2021	2020
	£	£
Profit/(loss) for the year after tax	26,873	340,266
<b>Adjustments for:</b>		
Taxation charged/(Credit)	(19,992)	39,173
Finance costs	1,866	-
(Decrease)/increase in FX reserves	(14,396)	(81,416)
Investment income	(11,219)	(51,009)
Depreciation and impairment of tangible fixed assets	58,503	46,201
Loss on disposal of investment property	24,500	-
Amount write off investments	-	150,000
<b>Movements in working capital:</b>		
(Increase)/Decrease in debtors	(196,703)	421,636
(Decrease)/Increase in creditors	(134,828)	58,557
Other reserves	-	17,304
<b>Cash (absorbed by)/ generated from operations</b>	<u>(265,396)</u>	<u>940,712</u>

**HANTEC MARKETS LIMITED & SUBSIDIARY**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

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**32 Analysis of changes in net funds**

	1 January Cashflows 2021		New finance Lease	31 December 2021
	£	£	£	£
Cash at bank and in hand	4,535,453	265,392	-	4,800,845
Obligations under finance leases	-	4,405	(90,115)	(85,710)
	<u>4,535,453</u>	<u>269,797</u>	<u>(90,115)</u>	<u>4,715,135</u>