

Company registration number 08956837 (England and Wales)

HILBERT INVESTMENT SOLUTIONS LTD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023



HILBERT INVESTMENT SOLUTIONS LTD

COMPANY INFORMATION

Directors	Mr S G Lamarque Mr D Mallawa-Arachi
Company number	08956837
Registered office	66 Prescott Street London E1 8NN
Auditor	Gravita Audit II Ltd 66 Prescott Street London E1 8NN

HILBERT INVESTMENT SOLUTIONS LTD

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HILBERT INVESTMENT SOLUTIONS LTD

STRATEGIC REPORT

FOR THE YEAR ENDED 31 MARCH 2023

The directors present the strategic report for the year ended 31 March 2023.

Fair review of the business

The directors established the group to design, market and manage structured investment for both UK and European investors.

The results and the financial position at the year-end were considered satisfactory by the directors who expect continued growth in the foreseeable future.

The group's turnover had increased by 39% in the year. We offer full private client broking, advice and distribute our own branded retail and institutional investment products and this is an expanding area of our business.

The directors expect, based on the successful delivery of current investment initiatives in technology, high quality staff and new product areas, along with the continuation of favourable market conditions, continued growth in the foreseeable future. The company is also able to operate in both London and Paris. As at year end, the Hilbert Investment Solutions group employs 27 people across UK, France, Belgium, and Luxembourg

The company is registered with, and monitored by, the FCA. As a result of their ability to hold client assets and current permissions, the FCA determines that the company must maintain the higher of the base capital resources requirement of EUR125k or the sum of its credit risk capital requirement and market risk capital requirements which was calculated to be £159k. The directors are content that this has been maintained during the year.

Principal risks and uncertainties

Liquidity risk

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

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.

Trade debtors are monitored on an ongoing basis and provision is made for doubtful debts where necessary.

Market risk

Market risk is the risk of adverse change in net assets or income arising from movements in foreign exchange rates, a reduction of liquidity in the market and the related fall in transactions.

As the firm is an execution only broker and therefore does not trade on own account, movements in the prices of financial instruments will only have a limited effect on the firm.

Development and performance

The company over the previous year has investigated expanding into different markets to develop the range opportunities available to their clients. An example of this is providing brokering services into pension plans as well as the continued retail clients.

In the expansion of the group we acquired two companies in the prior year, Artur Invest and Hilbert Investment Solutions (SAS), both of which are situated in France. Artur Invest traded in both the 2022 and 2023 financial year whereas the 2023 financial year was the first year of trading for Hilbert Investment Solutions (SAS). The results of these acquisitions is reflected in the consolidated accounts for both 2022 and 2023.

Finally, the tangible core of our business is Hilbert's Infinity our core custody & trading system is that we developed in-house and that we own. Infinity is our beating heart, It's a complex suite of code that we own and that we wrote in-house and allows our client to perform the design, the pricing, the risk management and the custody of Structured Investment.

HILBERT INVESTMENT SOLUTIONS LTD

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

Other performance indicators

The KPI of the business is service fees and profit generated as disclosed in the statutory profit and loss account. We also have a few areas where we are looking to focus on in 2024, namely:

- Intangible Assets (Infinity)
- Expecting to have 10 000 active clients using the system by 2025
- Positive profit trend

Compliance with section 172 statement

Under Section 172 of the Companies Act 2006, the Director has a duty to act in good faith, which would most likely promote the success of the company for the benefit and interests of all its stakeholders as a whole. The Company's stakeholders include, but are not limited to, its employees, suppliers, customers and regulators.

The Board endeavours to achieve and maintain a reputation for high standards of conduct amongst its stakeholders which it regards as crucial in its ability to successfully achieve its corporate objectives. During the development of the Company's strategies and decision-making processes, the Board will consider its stakeholders and their interests. The differing interests of stakeholders require the Board to assess and manage the impact of its policies in a fair and balanced manner to the benefit of its stakeholders as a whole. The Board considers below these different stakeholder Company's, their material issues and how the Company engages with them.

Employees

The employees are considered to be extremely significant in the company's operations. Regular meetings are held with employees where company updates are provided. Ongoing management training, personal development and performance reviews all contribute to the development of staff.

Suppliers

Supplier interests include fair trading, payment terms and working towards building a successful relationship. The company will regularly review its supplier payments and performance alongside its monitoring of its performance.

Customers

Customers are regularly informed of the upcoming products created by the company, which are designed to meet their needs. The company aims to achieve the highest level of customer service and operates under an open and transparent pricing model with its customers.

Regulators and Compliance

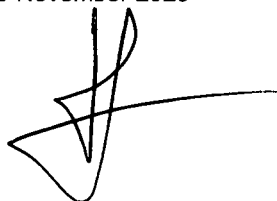
The company holds licenses with the Financial Conduct Authority and must adhere to the regulatory requirements of these licenses. The company ensures that staff have sufficient knowledge and with regular training, ensures that these regulations are met.

The nature of the business undoubtedly results in a higher risk of money laundering. All staff receive the relevant Anti-Bribery and Anti-Money Laundering training. Procedures and communications are in place to ensure that staff are able to comply with anti-Money Laundering should there ever be a case.

On behalf of the board

Mr S G Lamarque
Director

10 November 2023



HILBERT INVESTMENT SOLUTIONS LTD

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2023

The directors present their annual report and financial statements for the year ended 31 March 2023.

Principal activities

The principal activity of the group continued to be that of providing broking services and distribution of structured products.

Results and dividends

The results for the year are set out on page 8.

Ordinary dividends were paid during the period amounting to £70,000. Further dividends of £600,000 were declared 5 April 2023. The director does not recommend payment of a further dividend.

Directors

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

Mr S G Lamarque
Mr D Mallawa-Arachi

Statement of disclosure to auditor

Each director in office at the date of approval of this annual report confirms that:

- so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- the director has taken all the steps that he / she ought to have taken as a director in order to make himself / herself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of section 418 of the Companies Act 2006.

On behalf of the board

Mr S G Lamarque
Director

10 November 2023



HILBERT INVESTMENT SOLUTIONS LTD

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 31 MARCH 2023

The directors are responsible for preparing the annual 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 group financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the United Kingdom. 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, International Accounting Standard 1 requires that directors:

- properly select and apply accounting policies;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with the specific requirements in IFRSs are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance; and
- make an assessment of the company's ability to continue as a going concern.

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 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.

HILBERT INVESTMENT SOLUTIONS LTD

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF HILBERT INVESTMENT SOLUTIONS LTD

Opinion

We have audited the financial statements of Hilbert Investment Solutions Ltd (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 March 2023 which comprise the group statement of comprehensive income, the group statement of financial position, the group statement of changes in equity, the group statement of cash flows and the group notes to the financial statements, including significant accounting policies.

The financial reporting framework that has been applied in their preparation is applicable law and UK adopted international accounting standards.

In our opinion:

- the financial statements give a true and fair view of the state of the group's affairs as at 31 March 2023 and of the group's profit for the year then ended;
- the financial statements have been properly prepared in accordance with UK adopted international accounting standards; and
- the financial statements 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 and parent company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the 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's 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.

HILBERT INVESTMENT SOLUTIONS LTD

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF HILBERT INVESTMENT SOLUTIONS LTD

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 their 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 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 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 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.

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

We obtained an understanding of the legal and regulatory frameworks that are that are applicable to the Group and Company.

Of these laws and regulations, we focused on those that we considered may have a direct material effect on the financial statements or the operations of the company, including compliance with Financial Conduct Authority, Directive 2014/65/EU (MiFID 2), Companies Act 2006, taxation legislation, data protection, The Bribery Act 2010, anti-money-laundering, The Employments Act Rights 1996, environmental and health and safety legislation. The extent of compliance with these laws and regulations identified above was assessed through making enquiries of management and inspecting legal correspondence. The 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;
- obtaining the CASS resolution pack and assessing the internal procedures
- 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.

HILBERT INVESTMENT SOLUTIONS LTD

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF HILBERT INVESTMENT SOLUTIONS LTD

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

- performed analytical procedures to identify any unusual or unexpected variances;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates 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;
- confirming with management that correct insurance policies are in place; and
- 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 is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

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



Daniel Rose (Senior Statutory Auditor)
For and on behalf of Gravita Audit II Ltd

10 November 2023

Chartered Accountants
Statutory Auditor

66 Prescott Street
London
E1 8NN

HILBERT INVESTMENT SOLUTIONS LTD

GROUP STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2023

	Notes	2023 £	2022 as restated £
Revenue	4	4,430,850	3,109,903
Cost of sales		(2,429,410)	(535,672)
Gross profit		2,001,440	2,574,231
Administrative expenses		(1,860,445)	(1,003,124)
Exceptional items	5	634,880	-
Operating profit	6	775,875	1,571,107
Investment revenues	10	4,650	-
Other gains and losses	11	-	(35,790)
Profit before taxation		780,525	1,535,317
Income tax expense	12	(156,412)	(322,514)
Profit for the year		624,113	1,212,803
Other comprehensive income:			
Currency translation differences		46,869	(50,605)
Total		46,869	(50,605)
Total other comprehensive income for the year		46,869	(50,605)
Total comprehensive income for the year		670,982	1,162,198
Profit for the financial year is attributable to:			
- Owners of the parent company		620,477	1,192,844
- Non-controlling interests		3,636	19,959
		624,113	1,212,803
Total comprehensive income for the year is attributable to:			
- Owners of the parent company		667,346	1,142,239
- Non-controlling interests		3,636	19,959
		670,982	1,162,198

HILBERT INVESTMENT SOLUTIONS LTD

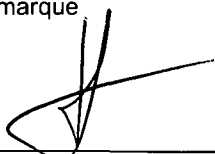
GROUP STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2023

		2023	2022	2021
	Notes	£	as restated £	£
Non-current assets				
Intangible assets	14	996,316	919,266	203,409
Property, plant and equipment	15	10,779	12,949	7,666
Investments	16	692,967	1,102,035	799,817
Other receivables	18	679,234	142,764	-
		<u>2,379,296</u>	<u>2,177,014</u>	<u>1,010,892</u>
Current assets				
Trade and other receivables	18	1,189,472	745,341	825,397
Cash and cash equivalents		400,116	163,134	119,293
		<u>1,589,588</u>	<u>908,475</u>	<u>944,690</u>
Current liabilities				
Trade and other payables	21	1,315,882	261,261	938,810
Current tax liabilities		186,424	334,252	21,855
Borrowings	20	-	224,380	97,754
		<u>1,502,306</u>	<u>819,893</u>	<u>1,058,419</u>
Net current assets/(liabilities)		<u>87,282</u>	<u>88,582</u>	<u>(113,729)</u>
Non-current liabilities				
Borrowings	20	-	400,000	400,000
Net assets		<u>2,466,578</u>	<u>1,865,596</u>	<u>497,163</u>
Equity				
Called up share capital	23	2,035,001	185,001	185,001
Retained earnings		201,747	1,454,401	312,162
Equity attributable to owners of the parent company		<u>2,236,748</u>	<u>1,639,402</u>	<u>497,163</u>
Non-controlling interests		229,830	226,194	-
Total equity		<u>2,466,578</u>	<u>1,865,596</u>	<u>497,163</u>

The financial statements were approved by the board of directors and authorised for issue on 10 November 2023 and are signed on its behalf by:

Mr S G Lamarque
Director



HILBERT INVESTMENT SOLUTIONS LTD

GROUP STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2023

	Share capital	Retained earnings	Total	Non-controlling interest	Total
Notes	£	£	£	£	£
Balance at 1 April 2021	185,001	384,465	569,466	-	569,466
Balance at 1 April 2021	185,001	312,162	497,163	-	497,163
Year ended 31 March 2022:					
Profit for the year	-	1,192,844	1,192,844	19,959	1,212,803
Other comprehensive income:					
Currency translation differences	-	(50,605)	(50,605)	-	(50,605)
Total comprehensive income for the year	-	1,142,239	1,142,239	19,959	1,162,198
Transactions with owners in their capacity as owners:					
Non-Controlling Interest at 30%	-	-	-	206,235	206,235
Balance at 31 March 2022	185,001	1,454,401	1,639,402	226,194	1,865,596
Year ended 31 March 2023:					
Profit for the year	-	620,477	620,477	3,636	624,113
Other comprehensive income:					
Currency translation differences	-	46,869	46,869	-	46,869
Total comprehensive income for the year	-	667,346	667,346	3,636	670,982
Transactions with owners in their capacity as owners:					
Bonus issue	23	1,850,000	(1,850,000)	-	-
Dividends	13	-	(70,000)	-	(70,000)
Balance at 31 March 2023	2,035,001	201,747	2,236,748	229,830	2,466,578

HILBERT INVESTMENT SOLUTIONS LTD

GROUP STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2023

		2023		2022 as restated	
	Notes	£	£	£	£
Cash flows from operating activities					
Cash generated from operations	31		666,029		1,094,587
Income taxes paid			(304,263)		(21,895)
Net cash inflow from operating activities			361,766		1,072,692
Investing activities					
Purchase of intangible assets		(149,128)		(814,461)	
Purchase of property, plant and equipment		(4,715)		(2,881)	
Investment in subsidiaries		-		(338,008)	
Proceeds on disposal of investments		99,059		-	
Net cash used in investing activities			(54,784)		(1,155,350)
Financing activities					
Repayment of borrowings				126,626	
Dividends paid to equity shareholders		(70,000)		-	
Net cash (used in)/generated from financing activities			(70,000)		126,626
Net increase in cash and cash equivalents			236,982		43,968
Cash and cash equivalents at beginning of year			163,134		119,166
Cash and cash equivalents at end of year			<u>400,116</u>		<u>163,134</u>

HILBERT INVESTMENT SOLUTIONS LTD

NOTES TO THE GROUP FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

Company information

Hilbert Investment Solutions Ltd is a private company limited by shares incorporated in England and Wales. The registered office is 66 Prescott Street, London, E1 8NN. The company's business address is St Clements House, 27-28 Clements Lane, London, EC4N 7AE. The company's principal activities and nature of its operations are disclosed in the director's report.

The group consists of Hilbert Investment Solutions Ltd and all of its subsidiaries.

1.1 Accounting convention

The accounts are prepared on a going concern basis and in accordance with prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006. These financial statements are also prepared in accordance with the International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) and its predecessor body or adopted as interpretations by the International Financial Reporting Standards Committee (IFRIC) and its predecessor body.

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

The financial statements have been prepared under the historical cost convention except for the revaluation of equity investments. The principal accounting policies adopted are set out below.

1.2 Business combinations

The cost of a business combination is the fair value at the acquisition date of the assets given, equity instruments issued and liabilities incurred or assumed, plus costs directly attributable to the business combination. The excess of the cost of a business combination over the fair value of the identifiable assets, liabilities and contingent liabilities acquired is recognised as goodwill.

The cost of the combination includes the estimated amount of contingent consideration that is probable and can be measured reliably, and is adjusted for changes in contingent consideration after the acquisition date.

Provisional fair values recognised for business combinations in previous periods are adjusted retrospectively for final fair values determined in the 12 months following the acquisition date.

1.3 Basis of consolidation

The consolidated group financial statements consist of the financial statements of the parent company Hilbert Investment Solutions Ltd together with all entities controlled by the parent company (its subsidiaries) and the group's share of its interests in joint ventures and associates.

All financial statements are made up to 31 March 2023. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the group.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Subsidiaries are consolidated in the group's financial statements from the date that control commences until the date that control ceases.

Entities in which the group holds an interest and which are jointly controlled by the group and one or more other venturers under a contractual arrangement are treated as joint ventures. Entities other than subsidiary undertakings or joint ventures, in which the group has a participating interest and over whose operating and financial policies the group exercises a significant influence, are treated as associates.

HILBERT INVESTMENT SOLUTIONS LTD

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

Investments in joint ventures and associates are carried in the group statement of financial position at cost plus post-acquisition changes in the group's share of the net assets of the entity, less any impairment in value. The carrying values of investments in joint ventures and associates include acquired goodwill.

If the group's share of losses in a joint venture or associate equals or exceeds its investment in the joint venture or associate, the group does not recognise further losses unless it has incurred obligations to do so or has made payments on behalf of the joint venture or associate.

Unrealised gains arising from transactions with joint ventures and associates are eliminated to the extent of the group's interest in the entity.

1.4 Going concern

The directors have at the time of approving the financial statements, a reasonable expectation that the group 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.

1.5 Revenue

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The group recognises revenue when it transfers control of a product or service to a customer.

The group's major source of revenue is broking services.

The nature, timing of satisfaction of performance obligations and significant payment terms of the group's major sources of revenue are as follows:

Broking services

Sales are recorded as commissions received as a result of brokerage services. The performance obligations are deemed to be satisfied once the trade has been placed on behalf of the client, and money is held in client accounts for which the commission earned is transferred per the CASS rules, calculated using reconciliations of these accounts on a daily basis.

1.6 Intangible assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably; the intangible asset arises from contractual or other legal rights; and the intangible asset is separable from the entity.

Amortisation 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:

- Development costs straight line over 5 years

1.7 Property, plant and equipment

Property, plant and equipment 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 and fittings	25% straight line
Computers	33.33% straight line

HILBERT INVESTMENT SOLUTIONS LTD

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

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 recognised in the income statement.

1.8 Non-current 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 parent 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 group holds a long-term interest and has significant influence. The group 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 group has a long term interest and shares control under a contractual arrangement are classified as jointly controlled entities.

1.9 Impairment of tangible and intangible assets

At each reporting end date, the group reviews the carrying amounts of its tangible and intangible 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 group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually, and whenever there is an indication that the asset may be impaired.

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.

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

1.10 Cash and cash equivalents

Cash and cash equivalents 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.

HILBERT INVESTMENT SOLUTIONS LTD

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

1.11 Financial assets

Financial assets are recognised in the group's statement of financial position when the group becomes party to the contractual provisions of the instrument. Financial assets are classified into specified categories, depending on the nature and purpose of the financial assets.

At initial recognition, financial assets classified as fair value through profit and loss are measured at fair value and any transaction costs are recognised in profit or loss. Financial assets not classified as fair value through profit and loss are initially measured at fair value plus transaction costs.

Financial assets at fair value through profit or loss

When any of the above-mentioned conditions for classification of financial assets is not met, a financial asset is classified as measured at fair value through profit or loss. Financial assets measured at fair value through profit or loss are recognized initially at fair value and any transaction costs are recognised in profit or loss when incurred. A gain or loss on a financial asset measured at fair value through profit or loss is recognised in profit or loss, and is included within finance income or finance costs in the statement of income for the reporting period in which it arises.

Financial assets held at amortised cost

Financial instruments are classified as financial assets measured at amortised cost where the objective is to hold these assets in order to collect contractual cash flows, and the contractual cash flows are solely payments of principal and interest. They arise principally from the provision of goods and services to customers (eg trade receivables). They are initially recognised at fair value plus transaction costs directly attributable to their acquisition or issue, and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment where necessary.

Financial assets at fair value through other comprehensive income

Debt instruments are classified as financial assets measured at fair value through other comprehensive income where the financial assets are held within the group's business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt instrument measured at fair value through other comprehensive income is recognised initially at fair value plus transaction costs directly attributable to the asset. After initial recognition, each asset is measured at fair value, with changes in fair value included in other comprehensive income. Accumulated gains or losses recognised through other comprehensive income are directly transferred to profit or loss when the debt instrument is derecognised.

The parent company has made an irrevocable election to recognize changes in fair value of investments in equity instruments through other comprehensive income, not through profit or loss. A gain or loss from fair value changes will be shown in other comprehensive income and will not be reclassified subsequently to profit or loss. Equity instruments measured at fair value through other comprehensive income are recognized initially at fair value plus transaction cost directly attributable to the asset. After initial recognition, each asset is measured at fair value, with changes in fair value included in other comprehensive income. Accumulated gains or losses recognized through other comprehensive income are directly transferred to retained earnings when the equity instrument is derecognized or its fair value substantially decreased. Dividends are recognized as finance income in profit or loss.

HILBERT INVESTMENT SOLUTIONS LTD

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

Impairment of financial assets

Financial assets carried at amortised cost and FVOCI are assessed for indicators of impairment at each reporting end date.

The expected credit losses associated with these assets are estimated on a forward-looking basis. A broad range of information is considered when assessing credit risk and measuring expected credit losses, including past events, current conditions, and reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership to another entity.

1.12 Financial liabilities

The group recognises financial debt when the group becomes a party to the contractual provisions of the instruments. Financial liabilities are classified as either 'financial liabilities at fair value through profit or loss' or 'other financial liabilities'.

Other financial liabilities

Other financial liabilities, including borrowings, trade payables and other short-term monetary liabilities, are initially measured at fair value net of transaction costs directly attributable to the issuance of the financial liability. They are subsequently measured at amortised cost using the effective interest method. For the purposes of each financial liability, interest expense includes initial transaction costs and any premium payable on redemption, as well as any interest or coupon payable while the liability is outstanding.

Derecognition of financial liabilities

Financial liabilities are derecognised when, and only when, the group's obligations are discharged, cancelled, or they expire.

1.13 Equity instruments

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

1.14 Taxation

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

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the 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 group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

HILBERT INVESTMENT SOLUTIONS LTD

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

Deferred tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary 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 group 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 inventories or non-current 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 group 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

At inception, the group assesses whether a contract is, or contains, a lease within the scope of IFRS 16. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Where a tangible asset is acquired through a lease, the group recognises a right-of-use asset and a lease liability at the lease commencement date. Right-of-use assets are included within property, plant and equipment, apart from those that meet the definition of investment property.

The group has elected not to recognise right-of-use assets and lease liabilities for short-term leases of machinery that have a lease term of 12 months or less, or for leases of low-value assets including IT equipment. The payments associated with these leases are recognised in profit or loss 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 in the period are included in profit or loss.

2 Adoption of new and revised standards and changes in accounting policies

HILBERT INVESTMENT SOLUTIONS LTD

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

2 Adoption of new and revised standards and changes in accounting policies

(Continued)

Certain new accounting standards and interpretations have been published that are not mandatory for the 31 March 2023 reporting periods and have not been early adopted by the Company. These are as follows:

- Amendments to IAS 1 and IFRS Practice Statement 2 'Disclosure of Accounting Policies' (effective for annual periods beginning on or after 1 January 2023)
- IFRS 17 'Insurance Contracts' (Effective for annual reporting periods beginning on or after 1 January 2023)
- Amendments to IAS 1 'Classification of liabilities as Current or Non-current' (Effective for annual reporting periods beginning on or after 1 January 2023)
- Amendments to IAS 8 'Definition of Accounting Estimates' (effective for annual periods beginning on or after 1 January 2023)
- Amendments to IAS 12 'Deferred Tax related to Assets and Liabilities arising from a Single Transaction' (effective for annual periods beginning on or after 1 January 2023)

There are no standards that are not yet effective and that would be expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

3 Critical accounting estimates and judgements

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, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are outlined below.

Depreciation and amortisation

Depreciation and amortisation are provided at rates calculated to write off the cost of valuation of assets less estimated residual value of each asset over its expected useful life, using industry standards.

HILBERT INVESTMENT SOLUTIONS LTD

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

3 Critical accounting estimates and judgements

(Continued)

Intangible assets

Intangible assets has been recorded for software development costs and customer listings. Software development costs with a carrying amount of £323,625 (£252,831) are been estimated by capitalising direct expenses such as staff costs related to developing the software and amortised over a straight line period of 5 years. Customer Listings with a carrying amount of £654,488 (£666,435) have been capitalised at the determined value at acquisition of the subsidiary and has been amortised over a useful life of 10 years.

4 Revenue

	2023	2022
	£	£
Revenue analysed by class of business		
Brokerage services	4,382,309	3,072,916
Other income	48,541	36,987
	<u>4,430,850</u>	<u>3,109,903</u>
	<u>4,430,850</u>	<u>3,109,903</u>
	2023	2022
	£	£
Revenue analysed by geographical market		
United Kingdom	4,130,700	2,901,490
France	300,150	208,413
	<u>4,430,850</u>	<u>3,109,903</u>
	<u>4,430,850</u>	<u>3,109,903</u>

5 Exceptional items

	2023	2022
	£	£
Income		
Exceptional items	634,880	-
	<u>634,880</u>	<u>-</u>

The exceptional item during the period relates to the write off of a related party loan.

6 Operating (loss)/profit

	2023	2022
	£	£
Operating profit for the year is stated after charging/(crediting):		
Exchange gains	(15,912)	(73,640)
Fees payable to the company's auditor for the audit of the company's financial statements	44,126	24,270
Depreciation of property, plant and equipment	6,885	4,669
Amortisation of intangible assets (included within administrative expenses)	102,300	98,604
	<u>102,300</u>	<u>98,604</u>

HILBERT INVESTMENT SOLUTIONS LTD

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

7 Auditor's remuneration

	2023	2022
	£	£
Fees payable to the company's auditor and associates:		
For audit services		
Audit of the financial statements of the group and company	40,000	24,270
For other services		
Non-audit fees	51,058	23,881

8 Employees

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

	2023	2022
	Number	Number
Admin	5	2
Research	2	3
Compliance	2	2
Sales	11	2
Marketing	2	-
IT	5	-
Total	27	9

Their aggregate remuneration comprised:

	2023	2022
	£	£
Wages and salaries	410,598	322,827
Social security costs	90,039	53,029
Pension costs	9,170	8,974
	509,807	384,830

9 Directors' remuneration

	2023	2022
	£	£
Remuneration for qualifying services	330,638	188,524

HILBERT INVESTMENT SOLUTIONS LTD

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

10 Investment income

	2023 £	2022 £
Interest income		
Financial instruments measured at amortised cost:		
Investments held at amortised cost	1,714	-
Other interest income on financial assets	2,936	-
	<u>4,650</u>	<u>-</u>
Total interest revenue	<u><u>4,650</u></u>	<u><u>-</u></u>

11 Other gains and losses

	2023 £	2022 £
Change in value of financial assets at fair value through profit or loss	-	(35,790)
	<u>-</u>	<u>(35,790)</u>

12 Income tax expense

	2023 £	2022 £
Current tax		
UK corporation tax on profits for the current period	156,412	322,574
	<u>156,412</u>	<u>322,574</u>
Deferred tax		
Foreign exchange differences	-	(60)
	<u>-</u>	<u>(60)</u>
Total tax charge	<u><u>156,412</u></u>	<u><u>322,514</u></u>

The charge for the year can be reconciled to the (loss)/profit per the income statement as follows:

	2023 £	2022 £
(Loss)/profit before taxation	<u>780,525</u>	<u>1,535,317</u>
Expected tax charge based on a corporation tax rate of 19.00% (2022: 19.00%)	148,300	291,710
Effect of expenses not deductible in determining taxable profit	566,681	16,336
Gains not taxable	(653,792)	(2,112)
Depreciation on assets not qualifying for tax allowances	4,869	17,352
Amortisation on assets not qualifying for tax allowances	90,354	-
Capital allowances	-	(772)
	<u>156,412</u>	<u>322,514</u>
Taxation charge for the year	<u><u>156,412</u></u>	<u><u>322,514</u></u>

HILBERT INVESTMENT SOLUTIONS LTD

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

13 Dividends

Amounts recognised as distributions:	2023 per share £	2022 per share £	2023 Total £	2022 Total £
Final dividend paid	0.38	-	70,000	-

14 Intangible assets

	Development costs £	Bitcoin £	Customer List £	Total £
Cost				
At 1 April 2021	315,691	-	-	315,691
Additions	136,080	-	678,381	814,461
At 31 March 2022	451,771	-	678,381	1,130,152
Additions - purchased	130,925	18,203	-	149,128
Foreign currency adjustments	-	-	30,223	30,223
At 31 March 2023	582,696	18,203	708,604	1,309,502
Amortisation and impairment				
At 1 April 2021	112,282	-	-	112,282
Charge for the year	86,658	-	11,946	98,604
At 31 March 2022	198,940	-	11,946	210,886
Charge for the year	90,354	-	11,946	102,300
At 31 March 2023	289,294	-	23,892	313,186
Carrying amount				
At 31 March 2023	323,625	18,203	654,488	996,316
At 31 March 2022	252,831	-	666,435	919,266
At 31 March 2021	203,409	-	-	203,409

HILBERT INVESTMENT SOLUTIONS LTD

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

15 Property, plant and equipment

	Fixtures and fittings £	Computers £	Total £
Cost			
At 1 April 2021	1,973	11,692	13,665
Additions	206	2,675	2,881
Business combinations	6,808	263	7,071
At 31 March 2022	8,987	14,630	23,617
Additions	2,695	2,020	4,715
At 31 March 2023	11,682	16,650	28,332
Accumulated depreciation and impairment			
At 1 April 2021	1,015	4,984	5,999
Charge for the year	281	4,388	4,669
At 31 March 2022	1,296	9,372	10,668
Charge for the year	1,909	4,976	6,885
At 31 March 2023	3,205	14,348	17,553
Carrying amount			
At 31 March 2023	8,477	2,302	10,779
At 31 March 2022	7,691	5,258	12,949

16 Investments

	Current 2023 £	2022 £	Non-current 2023 £	2022 £
Investments held at fair value through profit or loss	-	-	17,970	53,761
Investments held at amortised cost	-	-	674,997	710,266
Investments in subsidiaries	-	-	-	338,008
	-	-	692,967	1,102,035

Fair value of financial assets carried at amortised cost

The directors consider that the carrying amounts of financial assets carried at amortised cost in the financial statements approximate to their fair values.

17 Subsidiaries

Details of the company's subsidiaries at 31 March 2023 are as follows:

HILBERT INVESTMENT SOLUTIONS LTD

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

17 Subsidiaries

(Continued)

Name of undertaking	Registered office	Class of shares held	% Held Direct
Artur Invest	2, Rue Turgot, 75009, Paris	Category 1	69.00
Hilbert SAS	2, Rue Turgot, 75009, Paris	Ordinary shares	100.00

18 Trade and other receivables

	Current		Non-current	
	2023	2022	2023	2022
	£	£	£	£
VAT recoverable	3,120	-	-	-
Amounts owed by related parties	583,427	430,199	-	-
Other receivables	583,335	209,490	679,234	142,764
Prepayments	19,589	105,654	-	-
	<u>1,189,471</u>	<u>745,343</u>	<u>679,234</u>	<u>142,764</u>

19 Trade receivables - credit risk

Fair value of trade receivables

The directors consider that the carrying amount of trade and other receivables is approximately equal to their fair value.

No significant receivable balances are impaired at the reporting end date.

20 Borrowings

	Current		Non-current	
	2023	2022	2023	2022
	£	£	£	£
Borrowings held at amortised cost:				
Loans from related parties	-	224,380	-	400,000
	<u>-</u>	<u>224,380</u>	<u>-</u>	<u>400,000</u>

There is no security over the borrowings.

21 Trade and other payables

	2023	2022
	£	£
Trade payables	547,772	63,835
Accruals	522,053	144,685
Social security and other taxation	109,571	52,741
Other payables	136,486	-
	<u>1,315,882</u>	<u>261,261</u>

HILBERT INVESTMENT SOLUTIONS LTD

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

22 Retirement benefit schemes

	2023	2022
	£	£
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	9,170	8,974

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

23 Share capital

	2023	2022	2023	2022
	Number	Number	£	£
Ordinary share capital <i>Issued and fully paid</i>				
Ordinary shares of £1 each	2,035,001	185,001	2,035,001	185,001

In February 2023 the company issued 1,850,000 shares at £1 each increasing its share capital by £1,850,000 as at that date.

24 Other leasing information

Lessee

Amounts recognised in profit or loss as an expense during the period in respect of lease arrangements are as follows:

	2023	2022
	£	£
Expense relating to short-term leases	92,638	69,305

25 Capital risk management

The group is not subject to any externally imposed capital requirements.

HILBERT INVESTMENT SOLUTIONS LTD

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

26 Financial instruments risk management objectives and policies

The Company's principal financial liabilities comprise loans and borrowings, and trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include trade receivables, cash and short-term deposits and investments that derive directly from its operations.

The Company is exposed to credit risk, liquidity risk, market risk and price risk.

Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities.

The Company consider that the carrying amount of trade and other receivables is approximately equal to their fair value. No significant receivable balances are impaired at the reporting end date.

The carrying amount of financial assets recorded in the financial statements, which is net of impairment losses, represents the Company's maximum exposure to credit risk. The company does not hold any collateral or other credit enhancements to cover this credit risk.

The Company consider that the carrying amounts of financial liabilities carried at amortised cost in the financial statements approximate to their fair values.

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

Trade debtors are monitored on an ongoing basis and provision is made for doubtful debts where necessary.

Liquidity risk

The company manages its cash and borrowing requirements in order to maximise interest income and minimise interest expense, whilst ensuring the company has sufficient liquid resources to meet the operating needs of the business. The monitoring of liquidity plays an important role in both the company's smooth operation and the continuation of its activities. On the period end date, the Company has sufficient cash available to cover its operating activities.

The Company does not hold any commercial a loans with third party providers. The company manages its cash and borrowing requirements in order to maximise interest income and minimise interest expense, whilst ensuring the company has sufficient liquid resources to meet the operating needs of the business.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. As the firm is an execution only broker and therefore does not trade on own account, movements in the prices of financial instruments will only have a limited effect on the firm in terms of primary trade.

Price risk

Price risk is the risk that the fair value of a financial asset will fluctuate due to a change in the market quoted prices. The Company is exposed to price risk with regards to the quoted investments, which is mitigated by referring to the quoted prices for these investments from reputable sources.

27 Events after the reporting date

In April 2023 a dividend of £600,000 was declared in the subsequent event period.

HILBERT INVESTMENT SOLUTIONS LTD

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

28 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel, including directors, is set out below in aggregate for each of the categories specified in IAS 24 *Related Party Disclosures*.

	2023 £	2022 £
Short-term employee benefits	330,638	188,524

29 Directors' transactions

An amount of £120,363 (2022: 65,561) was due by a director as at 31 March 2023. Included in this amount is interest at 2.5% of £2,935. The total amount owing as at 31 March 2022 was repaid within 9 months of the year end.

Dividends totalling £70,000 (2022 - £0) were paid in the year in respect of shares held by the company's directors.

30 Controlling party

The ultimate controlling party is Mr S G Lamarque.

31 Cash generated from operations

	2023 £	2022 £
Profit for the year before income tax	780,525	1,535,317
Adjustments for:		
Amortisation and impairment of intangible assets	102,300	98,604
Depreciation and impairment of property, plant and equipment	6,885	4,669
Foreign exchange gains on cash equivalents	(30,223)	-
Other gains and losses	25,983	35,790
Exceptional items	(634,880)	-
Movements in working capital:		
Increase in trade and other receivables	(980,601)	(62,708)
Increase/(decrease) in trade and other payables	1,396,040	(516,809)
Cash generated from operations	<u>666,029</u>	<u>1,094,587</u>

HILBERT INVESTMENT SOLUTIONS LTD

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

32 Prior period adjustment

Changes to the statement of financial position

	At 31 March 2022		
	Previously reported £	Adjustment at 31 Mar 2022 £	As restated £
Fixed assets			
Intangible assets	252,831	666,435	919,266
Property, plant and equipment	12,949		12,949
Investments	1,702,716	(600,681)	1,102,035
Other receivables	142,764		142,764
Current assets			
Debtors due within one year	668,495	76,846	745,341
Bank and cash	43,224	119,910	163,134
Creditors due within one year			
Borrowings	(224,380)		(224,380)
Taxation	(334,252)		(334,252)
Other payables	(231,876)	(29,385)	(261,261)
Creditors due after one year			
Borrowings	(400,000)		(400,000)
Provisions for liabilities			
Net assets	<u>1,632,471</u>	<u>245,071</u>	<u>1,877,542</u>
Capital and reserves			
Share capital	185,001		185,001
Retained earnings	1,470,388	(15,987)	1,454,401
Non-controlling interests	-	226,194	226,194
Total equity	<u>1,632,471</u>	<u>(233,125)</u>	<u>1,865,596</u>

Changes to the income statement

	Period ended 31 March 2022		
	Previously reported £	Adjustment £	As restated £
Revenue	2,901,490	208,413	3,109,903
Cost of sales	(420,247)	(115,425)	(535,672)
Administrative expenses	(982,924)	(20,200)	(1,003,124)
Taxation	(304,303)	(18,211)	(322,514)
Profit for the financial period	<u>1,158,226</u>	<u>54,577</u>	<u>1,212,803</u>

Prior year amounts have been restated in order to consolidate the subsidiary accounts. These amounts were not available in the prior year but have subsequently been determined to be material.

HILBERT INVESTMENT SOLUTIONS LTD

COMPANY STATEMENT OF FINANCIAL POSITION

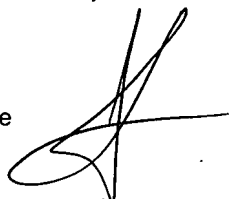
AS AT 31 MARCH 2023

		2023	2022
	Notes	£	£
Non-current assets			
Intangible assets	36	311,605	252,831
Property, plant and equipment	37	3,365	5,878
Investments	38	1,631,656	1,702,716
Other receivables	39	679,234	142,764
		<u>2,625,860</u>	<u>2,104,189</u>
Current assets			
Trade and other receivables	39	793,582	668,495
Cash and cash equivalents		107,945	43,224
		<u>901,527</u>	<u>711,719</u>
Current liabilities			
Trade and other payables		1,140,761	231,876
Current tax liabilities		156,412	304,263
Borrowings	41	-	224,380
		<u>1,297,173</u>	<u>760,519</u>
Net current liabilities		<u>(395,646)</u>	<u>(48,800)</u>
Non-current liabilities			
Borrowings	41	-	400,000
Net assets		<u>2,230,214</u>	<u>1,655,389</u>
Equity			
Called up share capital	42	2,035,001	185,001
Retained earnings		195,213	1,470,388
Total equity		<u>2,230,214</u>	<u>1,655,389</u>

As permitted by s408 Companies Act 2006, the company has not presented its own income statement and related notes. The company's profit for the year was £644,825 (2022 - £1,158,226 profit).

The financial statements were approved by the board of directors and authorised for issue on 10 NOVEMBER 2023 and are signed on its behalf by:

Mr S G Lamarque
Director



Company Registration No. 08956837

HILBERT INVESTMENT SOLUTIONS LTD

COMPANY STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2023

	Notes	Share capital £	Retained earnings £	Total £
As restated for the period ended 31 March 2022:				
Balance at 1 April 2021		185,001	312,162	497,163
Balance at 1 April 2021		185,001	312,162	497,163
Year ended 31 March 2022:				
Profit and total comprehensive income for the year		-	1,158,226	1,158,226
Balance at 31 March 2022		185,001	1,470,388	1,655,389
Year ended 31 March 2023:				
Profit and total comprehensive income for the year		-	644,825	644,825
Transactions with owners in their capacity as owners:				
Bonus issue	42	1,850,000	(1,850,000)	-
Dividends		-	(70,000)	(70,000)
Balance at 31 March 2023		2,035,001	195,213	2,230,214

HILBERT INVESTMENT SOLUTIONS LTD

NOTES TO THE COMPANY FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

33 Accounting policies

Company information

Hilbert Investment Solutions Ltd is a private company limited by shares incorporated in England and Wales. The registered office is 66 Prescott Street, London, E1 8NN. The company's business address is St Clements House, 27-28 Clements Lane, London, EC4N 7AE. The company's principal activities and nature of its operations are disclosed in the directors' report.

33.1 Accounting convention

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted for use in the United Kingdom and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS, except as otherwise stated.

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 company applies accounting policies consistent with those applied by the group. To the extent that an accounting policy is relevant to both group and parent company financial statements, please refer to the group financial statements for disclosure of the relevant accounting policy.

33.2 Going concern

Although the company is in a net current liability position, the company has sufficient investments that can be liquidated should it be required to do so. The company has also generated sufficient profit post year end to cover its liabilities. The directors have at the time of approving the financial statements, a reasonable expectation that the 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.

34 Critical accounting estimates and judgements

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, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are outlined below.

Critical judgements

Depreciation and amortisation

Depreciation and amortisation are provided at rates calculated to write off the cost of valuation of assets less estimated residual value of each asset over its expected useful life, using industry standards.

Intangible Assets

Software development costs of £293,402 (£252,831) are been estimated by capitalising direct expenses such as staff costs related to developing the software and amortised over a straight line period of 5 years.

HILBERT INVESTMENT SOLUTIONS LTD

NOTES TO THE COMPANY FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

35 Employees

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

	2023 Number	2022 Number
Admin	3	2
Research	2	3
Compliance	1	2
Sales	3	2
Marketing	1	-
Total	<u>10</u>	<u>9</u>

Their aggregate remuneration comprised:

	2023 £	2022 £
Wages and salaries	410,598	322,827
Social security costs	90,039	53,029
Pension costs	9,170	8,974
	<u>509,807</u>	<u>384,830</u>

36 Intangible assets

	Development costs £	Bitcoin £	Total £
Cost			
At 1 April 2021	315,691	-	315,691
Additions	136,080	-	136,080
At 31 March 2022	451,771	-	451,771
Additions - purchased	130,925	18,203	149,128
At 31 March 2023	<u>582,696</u>	<u>18,203</u>	<u>600,899</u>

HILBERT INVESTMENT SOLUTIONS LTD

NOTES TO THE COMPANY FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

36 Intangible assets

(Continued)

	Development costs	Bitcoin	Total
	£	£	£
Amortisation and impairment			
At 1 April 2021	112,282	-	112,282
Charge for the year	86,658	-	86,658
At 31 March 2022	198,940	-	198,940
Charge for the year	90,354	-	90,354
At 31 March 2023	289,294	-	289,294
Carrying amount			
At 31 March 2023	293,402	18,203	311,605
At 31 March 2022	252,831	-	252,831
At 31 March 2021	203,409	-	203,409

37 Property, plant and equipment

	Fixtures and fittings	Computers	Total
	£	£	£
Cost			
At 1 April 2021	1,973	11,692	13,665
Additions	206	2,675	2,881
At 31 March 2022	2,179	14,367	16,546
Additions	1,476	880	2,356
At 31 March 2023	3,655	15,247	18,902
Accumulated depreciation and impairment			
At 1 April 2021	1,015	4,984	5,999
Charge for the year	281	4,388	4,669
At 31 March 2022	1,296	9,372	10,668
Charge for the year	295	4,574	4,869
At 31 March 2023	1,591	13,946	15,537
Carrying amount			
At 31 March 2023	2,064	1,301	3,365
At 31 March 2022	883	4,995	5,878

HILBERT INVESTMENT SOLUTIONS LTD

NOTES TO THE COMPANY FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

38 Investments

	Current		Non-current	
	2023	2022	2023	2022
	£	£	£	£
Investments held at fair value through profit or loss	-	-	17,970	53,761
Investments held at amortised cost	-	-	674,997	710,266
Investments in subsidiaries	-	-	938,689	938,689
	<u>-</u>	<u>-</u>	<u>1,631,656</u>	<u>1,702,716</u>

Fair value of financial assets carried at amortised cost

Investment in subsidiary undertakings

Details of the company's principal operating subsidiaries are included in note 17.

39 Trade and other receivables

	Current		Non-current	
	2023	2022	2023	2022
	£	£	£	£
VAT recoverable	3,120	-	-	-
Amounts owed by related parties	583,426	430,197	-	-
Other receivables	187,447	132,644	679,234	142,764
Prepayments	19,589	105,654	-	-
	<u>793,582</u>	<u>668,495</u>	<u>679,234</u>	<u>142,764</u>

40 Liabilities

	Notes	Current		Non-current	
		2023	2022	2023	2022
		£	£	£	£
Borrowings	41	-	224,380	-	400,000
Trade and other payables		1,032,066	179,966	-	-
Income tax		156,412	304,263	-	-
Other taxation and social security		108,695	51,910	-	-
		<u>1,297,173</u>	<u>760,519</u>	<u>-</u>	<u>400,000</u>

41 Borrowings

	Current		Non-current	
	2023	2022	2023	2022
	£	£	£	£
Borrowings held at amortised cost:				
Loans from related parties	-	224,380	-	400,000
	<u>-</u>	<u>224,380</u>	<u>-</u>	<u>400,000</u>

HILBERT INVESTMENT SOLUTIONS LTD

NOTES TO THE COMPANY FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

41 Borrowings

(Continued)

There is no security over the borrowings.

42 Share capital

Refer to note 23 of the group financial statements.

HILBERT INVESTMENT SOLUTIONS LIMITED

CAPITAL REQUIREMENTS DIRECTIVE PILLAR 3 DISCLOSURE

FOR THE YEAR ENDED 31 March 2023

Capital requirements directive Pillar 3 disclosure

Verification

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

Introduction

Regulatory Context

The Capital Requirements Directive (The Directive') of the European Union establishes a revised regulatory capital framework across Europe governing the amount and nature of capital that must be maintained by credit institutions and investment firms. In the United Kingdom, the Directive has been implemented by the Financial Conduct Authority ('FCA') in its regulations through the General Prudential Sourcebook ('GENPRU') and the Prudential Sourcebook for Investment Firms ('IFPRU').

Frequency

The Firm will be making Pillar 3 disclosures annually. The disclosures will be as at the Accounting Reference Date ("ARD") which is currently 31 March.

Media and Location

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

Materiality

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

Risk Management

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

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

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

The Firm is a limited license firm primarily acts in an execution only capacity in that no specific advice is given to client. It acts solely as agent on behalf of clients and does not undertake proprietary trading.

HILBERT INVESTMENT SOLUTIONS LIMITED

CAPITAL REQUIREMENTS DIRECTIVE PILLAR 3 DISCLOSURE (CONTINUED)

FOR THE YEAR ENDED 31 March 2023

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

Foreign currency position risk required @ 8%. Risk weighted exposure. The Company currently keeps a portion of its total cash in foreign currencies (primarily EUR) to diversify its currency risk away from GBP. As company is required to maintain regulatory capital of at least EUR 150,000 keeping a significant portion of this capital in EUR could mitigate the risk of breaching CRD requirements in the event of a significant GBP devaluation. This is a temporary measure and company is following the Brexit developments closely and will adjust its FX and CRD risks accordingly.

Credit Risk and counter party Credit Risk

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

The Firm holds all cash with Banks assigned high credit ratings. Consequently risk of past due or impaired exposures is minimal. The firm's business model utilise client settlement accounts held under trust with counterparties reducing the risk of CCR in the event of a counterparty defaulting.

Business risk

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

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

Operational Risk

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

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

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

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

Corporate Background

The Firm

The Firm is incorporated in the UK and is authorised and regulated by the FCA. The Firm's activities give it the IFPRU categorisation of a "Limited Licence" and a "IFPRU €150K" firm.

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

The Firm is not a member of a UK Consolidation Group and as such this document covers the Firm on a solo basis.

HILBERT INVESTMENT SOLUTIONS LIMITED

CAPITAL REQUIREMENTS DIRECTIVE PILLAR 3 DISCLOSURE (CONTINUED)

FOR THE YEAR ENDED 31 March 2023

Risk Management and Risk Categories

For its Pillar 1 regulatory capital calculation of Credit Risk, under the credit risk capital component the Firm has adopted the Standardised approach and calculating risk weights.

Credit Risk calculation at 31 March 2023

Credit Risk Capital Requirement £114,682.

Risk Management Objective

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

Risk Framework

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

Overall Pillar 2 Rule

The Firm has adopted the "Pillar 1 plus" approach to the calculation of its ICARA Capital Resources Requirement as outlined in the Committee of European Banking Supervisors Paper, 25 January 2006.

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

Disclosure: Credit Risk and Dilution Risk

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

See above (Capital Requirement) for calculation of credit risk as at 31 March 2023.

Operational Risk

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

Fixed Overhead Requirement

£235,000

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

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

HILBERT INVESTMENT SOLUTIONS LIMITED

CAPITAL REQUIREMENTS DIRECTIVE PILLAR 3 DISCLOSURE (CONTINUED)

FOR THE YEAR ENDED 31 March 2023

Disclosures: Remuneration

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

The Firm has decided to treat all Directors as Code Staff.

The Managing Board will consider the need to add any new joiners to the list of Remuneration Code Staff during the year.

Application

Based on the Firm's profile we have defined ourselves as a Proportionality Tier Three investment firm ("Tier Three Firm") and adopted a proportioned approach to our remuneration policy. We have considered our individual needs on an ongoing basis and where appropriate disapplied certain provisions in accordance with FCA and CEBS/EBA guidance. The Managing Board will review any provisions which have been disapplied on at least an annual basis, to ensure that it continues to be appropriate.

Information concerning the decision-making process

Due to the size of the Company, we do not consider it appropriate to have a separate remuneration committee. Instead this function is undertaken by the Managing Board. This will be kept under review and should the need arise, the Company will consider amending this arrangement to provide greater independent review.

The Directors are members of the Managing Board and also jointly have an equal voting interest in the Company.

The Managing Board of Hilbert Investment Solutions Limited is responsible for ensuring that the remuneration policy is developed to align with its risk tolerance. No external consultants assisted in this review. Any person with a question regarding the policy or disclosures made under this policy should refer to the Directors who are members of the Managing Board.

Information on the link between pay and performance

A key objective in utilising the Company's structure was to align the interests of the directors with the overall goal of achieving the best performance over the long-term for the Company.

Aggregate Value of Directors' remuneration for period to 31 March 2023

Based on the profile of the Company we consider we have one business area, market principal broker and all Directors, as Code Staff, have responsibilities that typically fall within job titles FCA guidance indicated would suggest they are senior personnel whose role impacts the risk profile of the Company.

As such, to comply with the FCA remuneration disclosure requirement, we disclose, as per the audited accounts of the Firm, the total Directors' remuneration which, for the period to 31 March 2023 was £330,638.
