

**Company Registration No. 11366742 (England and Wales)**

**Hamilton Court Foreign Exchange Limited**

**Annual report and financial statements  
for the year ended 31 March 2022**

**Hamilton Court Foreign Exchange Limited**

**Company information**

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**Directors** Peter Green  
Tony Keterman  
David Kyte  
Adam Musikant  
Mark Palmer  
Chirag Sachdev  
Andrew Simon  
Michael Southgate

**Company number** 11366742

**Registered office** 103 Wigmore Street  
London  
W1U 1QS

**Independent auditor** Saffery Champness LLP  
71 Queen Victoria Street  
London  
EC4V 4BE

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**Hamilton Court Foreign Exchange Limited**

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## Hamilton Court Foreign Exchange Limited

### Strategic report

For the year ended 31 March 2022

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The directors present the strategic report for the year ended 31 March 2022.

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

Following the impact of COVID 19 in the previous financial year, 2022 was a very strong trading year for Hamilton Court Foreign Exchange Limited (“HCFX” or “the Company”), as it continues to establish itself as a leading foreign exchange provider that offers investment, hedging and payment solutions to both corporate and private clients. The Company continues to supply its clients with market-leading knowledge alongside an unrivalled customer experience that has not been compromised by its significant growth. The resilience and stability of the business model is testament to the prudent risk management at the core of operations, the strength of the balance sheet and the growing high-quality client book on which the Company has been established.

The Hamilton Court Group (HCG) was restructured on 1 December 2021. The former shareholders of HCFX entered into a share-for-share exchange, receiving shares of the newly incorporated parent of HCG, Hamilton Court Group Limited. At the same time, the Group’s shareholdings in its subsidiary undertakings were also transferred to Hamilton Court Group Limited.

The Company’s success is dependent on the drive, ambition and skillset of all its employees. Over the year, the Company has added a significant amount of resource in hiring suitable candidates that match the Company’s culture; investing in talent and experience that will benefit the Company. As the Company’s front and back offices strengthen in both numbers and functionality, the Company expects this investment to underpin the business and to translate into continued success over the coming years.

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

The principal risks that that HCFX considers could impact the business are set out below.

##### Client Credit Risk

Client credit risk exists where a client fails to meet its obligations at a contract’s maturity. Although the business holds margin and collateral against its clients, the Company is at risk of incurring potential losses if a client’s net obligations exceed the amount held against them.

The Company ensures that all clients pass its thorough assessment process before entering into a contractual agreement with a client. Collateral and margin are received as an insurance against the client credit exposure, whilst the Company makes margin calls where its liquidity position has weakened as a result of unfavourable market movements.

##### Institutional counterparty credit risk

The Company matches trades with institutional counterparties as and when they are placed by the client. Institutional counterparty risk refers to the risk of loss posed to the Company in the event that that an institutional counterparty can no longer fulfil its contractual obligations. To mitigate this risk, the Company diversifies its contracts between a number of counterparties, thus reducing the impact to the Company if a counterparty fails to deliver on an obligation.

## Hamilton Court Foreign Exchange Limited

### Strategic report (continued)

For the year ended 31 March 2022

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#### Principal risks and uncertainties

##### Liquidity Risk

As a provider of regulated financial services, it is essential that the Company meets the required liquidity obligations as set out by the FCA. Liquidity risk represents the risk that the Company does not have sufficient capital to meet any immediate obligations that fall due to trading activity. If the Company fails to maintain a high level of liquidity, then the Company may not survive unexpected volatility in the market.

The Company has taken steps to reduce its exposure to liquidity risk by previously restructuring the business from an LLP to a Limited Company in addition to securing a long term debt facility. The continued success of the business has allowed the Company to allocate additional resource to mitigate the Company's liquidity risk exposure without compromising on future investment in the Company's growth. The Group continuously monitors its liquidity position to ensure it is not exposed to liquidity risks with respect to client activity and market volatility.

##### Regulatory Risk

The Company faces the risk of non-compliance with its relevant regulatory and legal requirements. In the event of the Company being found to be falling short of its regulatory obligations, the business could face fines, lose its licences and suffer severe reputational damage. As a result, the Company deploys significantly robust procedures, monitoring, systems and controls within its compliance function.

##### Operational Risks

Operational risks are defined as the risks that occur as a result of the daily operations of the business, including but not limited to fraud, human error and employee health and safety.

Due to the nature of the markets, the quality of a foreign exchange institution depends on its capacity to process transactions with speed and accuracy, whilst remaining compliant with the relevant regulation. Failing to operate in such a way can cost the business and its clients financially and could also have a detrimental impact on the Company's reputation.

The Company has in place a rigorous set of procedures to monitor operational risk as well as methods for dealing with any errors that occur as swiftly as possible. The Company also insists on the physical separation of front and back office staff to maintain independence and to act as a secondary check on front office operations.

##### IT and cyber security risk

The Company faces the risk of its IT systems failing or being breached. Remote access infrastructure and cloud-based applications have been implemented to ensure that the business could continue in the event of a systems failure. Breaches represent a high cause for concern as the Company collects sensitive client data during the onboarding process and, in compliance with GDPR, stores the data until 5 years after the client's business relationship with the Company has ceased.

These risks are mitigated through the employment of a third party IT specialist team that has designed robust system defences and manages the back-up and safe deletion of data. Ongoing monitoring procedures are in place to ensure that the Company's systems are as protected as possible.

## Hamilton Court Foreign Exchange Limited

### Strategic report (continued)

For the year ended 31 March 2022

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#### Principal risks and uncertainties

##### Brexit

Following confirmation of the UK's decision to leave the European Union, the Company invested significant resource to ensure it obtained licences in another EEA country to mitigate the impact of Brexit. The business had been preparing for the possibility of a no-deal Brexit and therefore had processes in place to be able to continue to service the vast majority of its European clients. However, the limited scope covering financial services within the Free Trade Agreement resulted in the establishment of two Italian incorporated subsidiaries, Hamilton Court FX SIM S.p.A and Hamilton Court FX Payments S.r.l, and successfully obtaining licences from both Italian regulators, CONSOB and the Bank of Italy, allowing the business to continue to service its Italian based clients and facilitate exploring other opportunities to expand in the EEA.

The business continues to monitor political and commercial developments. However, it is not anticipated for any further material impact arising from the EU-UK Trade and Cooperation agreement.

##### COVID-19

In response to the COVID-19 virus, the UK introduced social distancing measures which resulted in the Company closing its office during the year and moving all operations to work remotely. Having robust IT systems meant that staff could working from home with few operational issues and the Company and its subsidiaries were able to uphold the highest standards of customer service to its clients. As a result of the uncertainty created by the COVID-19 virus combined with inflationary pressures appearing as we emerge from the pandemic, there has been significant volatility in global foreign exchange markets. Uncertainties are expected to remain for the medium term. As at the date of signing these financial statements, the longer-term impact of the COVID-19 virus is unknown and the consequences difficult to project. This uncertainty will impact the environment in which the Company operates and could impact the future financial results of the Company.

##### Russia-Ukraine conflict

Russia invaded Ukraine at the end of February. This triggered a rise in market volatility and an increase in an already-elevated level of global inflation as US-led sanctions and Russia's control of Ukraine's ports led to soaring energy and commodity prices. The Company has no exposure to any Russia-based or sanctioned clients and has successfully navigated the increase in volatility through the application of its robust risk management systems.

#### Key performance indicators

The Company considers the following to be key KPIs:

	y/e 31/03/2022	y/e 31/03/2021
Total trading revenue	£14.08m	£12.47m
Total notional trade value	£2.97bn	£2.76bn
Number of employees at year end	48	34
Net assets	£27.22	£25.77m

**Hamilton Court Foreign Exchange Limited**

**Strategic report (continued)**

**For the year ended 31 March 2022**

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**Section 172(1) statement**

The Company identifies its primary stakeholders as its customers, suppliers, staff and shareholders. During the year the Company has directly engaged with all primary stakeholders and has continued to build strong relationships. The Company looks to play an active part in the community and seeks always to minimise the environmental impact of its activities.

On behalf of the board

Tony Ketterman

**Director**

28 June 2022

## **Hamilton Court Foreign Exchange Limited**

### **Directors' report**

**For the year ended 31 March 2022**

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The directors present their annual report and financial statements for the year ended 31 March 2022.

#### **Principal activities**

The principal activity of the company is that of the provision of foreign exchange services. The company is regulated by the Financial Conduct Authority ("FCA").

#### **Results and dividends**

The results for the year are set out on page 11.

No ordinary dividends were paid. The directors do not recommend payment of a final dividend.

#### **Directors**

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

Peter Green  
Tony Keterman  
David Kyte  
Adam Musikant  
Mark Palmer  
Chirag Sachdev  
Andrew Simon  
Michael Southgate

#### **Auditor**

Saffery Champness LLP have expressed their willingness to continue in office.

#### **Energy and carbon report**

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

**Hamilton Court Foreign Exchange Limited**

**Directors' report (continued)**  
**For the year ended 31 March 2022**

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**Statement of directors' responsibilities**

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 financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

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

The 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.

**Statement of disclosure to auditor**

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

On behalf of the board

Tony Keterman  
**Director**

28 June 2022

## Hamilton Court Foreign Exchange Limited

### Independent auditor's report

To the members of Hamilton Court Foreign Exchange Limited

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#### Opinion

We have audited the financial statements of Hamilton Court Foreign Exchange Limited (the 'company') for the year ended 31 March 2022 which comprise the statement of comprehensive income, the statement of financial position, the statement of changes in equity, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

## **Hamilton Court Foreign Exchange Limited**

### **Independent auditor's report (continued)**

**To the members of Hamilton Court Foreign Exchange Limited**

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#### **Other information**

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

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 the audit:

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

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

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

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of 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 company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

## Hamilton Court Foreign Exchange Limited

### Independent auditor's report (continued)

To the members of Hamilton Court Foreign Exchange Limited

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#### **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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud are detailed below.

#### Identifying and assessing risks related to irregularities:

We assessed the susceptibility of the company's financial statements to material misstatement and how fraud might occur, including through discussions with the directors, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the company by discussions with directors and by updating our understanding of the sector in which the company operates.

Laws and regulations of direct significance in the context of the company include The Companies Act 2006 and UK Tax legislation.

#### Audit response to risks identified

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the company's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the company's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

**Hamilton Court Foreign Exchange Limited**

**Independent auditor's report (continued)**

**To the members of Hamilton Court Foreign Exchange Limited**

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There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

**Use of our report**

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

**Michael Di Leto (Senior Statutory Auditor)**  
**For and on behalf of Saffery Champness LLP**

29 June 2022

**Chartered Accountants**  
**Statutory Auditors**

71 Queen Victoria Street  
London  
EC4V 4BE

Hamilton Court Foreign Exchange Limited

Statement of comprehensive income  
For the year ended 31 March 2022

		2022	2021
	Notes	£	£
Turnover	3	14,084,399	12,468,448
Cost of sales		(1,838,109)	(1,561,877)
<b>Gross profit</b>		<b>12,246,290</b>	<b>10,906,571</b>
Administrative expenses		(9,968,507)	(8,236,718)
Other operating income		-	20,331
<b>Operating profit</b>	4	<b>2,277,783</b>	<b>2,690,184</b>
Interest receivable and similar income	7	21,267	9,759
Interest payable and similar expenses	8	(366,223)	(360,296)
<b>Profit before taxation</b>		<b>1,932,827</b>	<b>2,339,647</b>
Tax on profit	9	(480,981)	(799,420)
<b>Profit for the financial year</b>		<b>1,451,846</b>	<b>1,540,227</b>

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

Hamilton Court Foreign Exchange Limited

Statement of financial position

As at 31 March 2022

	Notes	£	2022 £	£	2021 £
<b>Fixed assets</b>					
Goodwill	10		8,748,839		10,077,776
Tangible assets	11		820,643		326,527
Investments	12		3,870,744		2,375,762
			<u>13,440,226</u>		<u>12,780,065</u>
<b>Current assets</b>					
Debtors	14	9,683,321		4,499,948	
Cash at bank and in hand		35,339,094		33,893,484	
			<u>45,022,415</u>	<u>38,393,432</u>	
<b>Creditors: amounts falling due within one year</b>	15	(27,832,953)		(21,936,543)	
<b>Net current assets</b>			<u>17,189,462</u>	<u>16,456,889</u>	
<b>Total assets less current liabilities</b>			<u>30,629,688</u>	<u>29,236,954</u>	
<b>Creditors: amounts falling due after more than one year</b>	16		(3,406,928)		(3,466,072)
<b>Net assets</b>			<u>27,222,760</u>	<u>25,770,882</u>	
<b>Capital and reserves</b>					
Called up share capital	20		4,812,841		4,812,809
Share premium account			13,288,047		13,288,047
Profit and loss reserves			9,121,872		7,670,026
<b>Total equity</b>			<u>27,222,760</u>	<u>25,770,882</u>	

The financial statements were approved by the board of directors and authorised for issue on 28 June 2022 and are signed on its behalf by:

Tony Keterman  
Director

Company Registration No. 11366742

Hamilton Court Foreign Exchange Limited

Statement of changes in equity  
For the year ended 31 March 2022

	Notes	Share capital £	Share premium account £	Profit and loss reserves £	Total £
<b>Balance at 1 April 2020</b>		4,812,809	13,288,047	6,129,799	24,230,655
<b>Year ended 31 March 2021:</b>					
Profit and total comprehensive income for the year		-	-	1,540,227	1,540,227
<b>Balance at 31 March 2021</b>		4,812,809	13,288,047	7,670,026	25,770,882
<b>Year ended 31 March 2022:</b>					
Profit and total comprehensive income for the year		-	-	1,451,846	1,451,846
Issue of share capital	<b>20</b>	32	-	-	32
<b>Balance at 31 March 2022</b>		4,812,841	13,288,047	9,121,872	27,222,760

Hamilton Court Foreign Exchange Limited

Statement of cash flows  
For the year ended 31 March 2022

	Notes	£	2022 £	£	2021 £
<b>Cash flows from operating activities</b>					
Cash generated from/(absorbed by) operations	24		4,892,714		(11,854,136)
Interest paid			(366,223)		(360,296)
Income taxes paid			(801,314)		(694,287)
<b>Net cash inflow/(outflow) from operating activities</b>			<u>3,725,177</u>		<u>(12,908,719)</u>
<b>Investing activities</b>					
Purchase of tangible fixed assets		(925,793)		(441,790)	
Proceeds on disposal of tangible fixed assets		195,599		105,000	
Proceeds on disposal of subsidiaries		(1,494,982)		(1,493,297)	
Interest received		21,267		9,759	
<b>Net cash used in investing activities</b>			<u>(2,203,909)</u>		<u>(1,820,328)</u>
<b>Financing activities</b>					
Proceeds from issue of shares		32		-	
Repayment of borrowings		-		39,436	
Payment of finance leases obligations		(75,690)		184,095	
<b>Net cash (used in)/generated from financing activities</b>			<u>(75,658)</u>		<u>223,531</u>
<b>Net increase/(decrease) in cash and cash equivalents</b>			<u>1,445,610</u>		<u>(14,505,516)</u>
Cash and cash equivalents at beginning of year			<u>33,893,484</u>		<u>48,399,000</u>
<b>Cash and cash equivalents at end of year</b>			<u><u>35,339,094</u></u>		<u><u>33,893,484</u></u>

## Hamilton Court Foreign Exchange Limited

### Notes to the financial statements For the year ended 31 March 2022

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#### 1 Accounting policies

##### Company information

Hamilton Court Foreign Exchange Limited is a private company limited by shares incorporated in England and Wales. The registered office is 103 Wigmore Street, London, W1U 1QS.

##### 1.1 Accounting convention

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

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

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

##### 1.2 Going concern

At the time of approving the financial statements, the directors have 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.

##### 1.3 Turnover

Turnover represents the margin made in foreign currency and option trades.

##### 1.4 Intangible fixed assets - goodwill

Goodwill arising on the acquisition of trade and assets represents the excess of the fair value of the consideration over the fair value of the identifiable assets and liabilities acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite useful life and is amortised on a systematic basis over its expected life, which is 10 years.

For the purposes of impairment testing, goodwill is allocated to the cash-generating units expected to benefit from the acquisition. Cash-generating units to which goodwill has been allocated are tested for impairment at least annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit.

##### 1.5 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.

**Hamilton Court Foreign Exchange Limited**

**Notes to the financial statements (continued)**

**For the year ended 31 March 2022**

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**1 Accounting policies (continued)**

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:

Leasehold improvements	Over the term of the lease
Office equipment	3 years straight line
Computers	3 years straight line
Motor vehicles	3 years straight line

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

**1.6 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.

**1.7 Impairment of fixed assets**

At each reporting period end date, the company 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 company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

**Hamilton Court Foreign Exchange Limited**

**Notes to the financial statements (continued)**

**For the year ended 31 March 2022**

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**1 Accounting policies (continued)**

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

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

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

**1.8 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.

**1.9 Financial instruments**

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

Financial instruments are recognised in the company's 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, 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.

**Hamilton Court Foreign Exchange Limited**

**Notes to the financial statements (continued)**

**For the year ended 31 March 2022**

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**1 Accounting policies (continued)**

***Other financial assets***

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

***Impairment of financial assets***

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

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

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

***Derecognition of financial assets***

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

***Classification of financial liabilities***

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

**Hamilton Court Foreign Exchange Limited**

**Notes to the financial statements (continued)**

**For the year ended 31 March 2022**

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**1 Accounting policies (continued)**

***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.

**1.10 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.

**1.11 Taxation**

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

**1 Accounting policies (continued)**

***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. Where items recognised in other comprehensive income or equity are chargeable to or deductible for tax purposes, the resulting current or deferred tax expense or income is presented in the same component of comprehensive income or equity as the transaction or other event that resulted in the tax expense or income. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

**1.12 Employee benefits**

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

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

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

**1.13 Retirement benefits**

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

**Hamilton Court Foreign Exchange Limited**

**Notes to the financial statements (continued)**

**For the year ended 31 March 2022**

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**1 Accounting policies (continued)**

**1.14 Leases**

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

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

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

**1.15 Government grants**

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

**1.16 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 Critical accounting 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.

Hamilton Court Foreign Exchange Limited

Notes to the financial statements (continued)

For the year ended 31 March 2022

3 Turnover and other revenue

	2022	2021
	£	£
<b>Turnover analysed by class of business</b>		
Income from foreign exchange services	14,084,399	12,468,448

	2022	2021
	£	£
<b>Turnover analysed by geographical market</b>		
United Kingdom	14,011,793	12,233,531
Italy	72,606	234,917
	14,084,399	12,468,448

	2022	2021
	£	£
<b>Other revenue</b>		
Interest income	21,267	9,759
Grants received	-	20,331

4 Operating profit

	2022	2021
	£	£
Operating profit for the year is stated after charging/(crediting):		
Government grants	-	(20,331)
Fees payable to the company's auditor for the audit of the company's financial statements	82,600	54,000
Depreciation of owned tangible fixed assets	187,008	115,075
Depreciation of tangible fixed assets held under finance leases	54,156	50,318
Profit on disposal of tangible fixed assets	(5,086)	(9,135)
Amortisation of intangible assets	1,328,937	1,328,938
Operating lease charges	397,815	388,401

Hamilton Court Foreign Exchange Limited

Notes to the financial statements (continued)

For the year ended 31 March 2022

5 Employees

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

	2022	2021
	Number	Number
Sales	23	24
Administrative	25	10
Total	<u>48</u>	<u>34</u>

Their aggregate remuneration comprised:

	2022	2021
	£	£
Wages and salaries	6,296,738	4,998,669
Social security costs	849,326	629,634
Pension costs	41,023	24,093
	<u>7,187,087</u>	<u>5,652,396</u>

6 Directors' remuneration

	2022	2021
	£	£
Remuneration for qualifying services	<u>2,591,852</u>	<u>1,776,040</u>

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

	2022	2021
	£	£
Remuneration for qualifying services	<u>812,669</u>	<u>475,000</u>

Hamilton Court Foreign Exchange Limited

Notes to the financial statements (continued)

For the year ended 31 March 2022

7 Interest receivable and similar income

	2022	2021
	£	£
<b>Interest income</b>		
Interest on bank deposits	21,267	9,759
	<u>21,267</u>	<u>9,759</u>

Investment income includes the following:

Interest on financial assets not measured at fair value through profit or loss

21,267	9,759
<u>21,267</u>	<u>9,759</u>

8 Interest payable and similar expenses

	2022	2021
	£	£
<b>Interest on financial liabilities measured at amortised cost:</b>		
Interest on bank overdrafts and loans	355,409	349,436
<b>Other finance costs:</b>		
Interest on finance leases and hire purchase contracts	9,665	10,558
Other interest	1,149	302
	<u>366,223</u>	<u>360,296</u>

9 Taxation

	2022	2021
	£	£
<b>Current tax</b>		
UK corporation tax on profits for the current period	480,981	800,052
Adjustments in respect of prior periods	-	(632)
	<u>480,981</u>	<u>799,420</u>

Hamilton Court Foreign Exchange Limited

Notes to the financial statements (continued)

For the year ended 31 March 2022

9 Taxation (continued)

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

	2022	2021
	£	£
Profit before taxation	1,932,827	2,339,647
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2021: 19.00%)	367,237	444,533
Tax effect of expenses that are not deductible in determining taxable profit	73,783	59,880
Adjustments in respect of prior years	-	(632)
Group relief	(100,542)	-
Amortisation on assets not qualifying for tax allowances	252,498	252,498
Other tax adjustments	(111,995)	43,141
Taxation charge for the year	480,981	799,420

10 Intangible fixed assets

	Goodwill
	£
<b>Cost</b>	
At 1 April 2021 and 31 March 2022	13,289,375
<b>Amortisation and impairment</b>	
At 1 April 2021	3,211,599
Amortisation charged for the year	1,328,937
At 31 March 2022	4,540,536
<b>Carrying amount</b>	
At 31 March 2022	8,748,839
At 31 March 2021	10,077,776

Hamilton Court Foreign Exchange Limited

Notes to the financial statements (continued)

For the year ended 31 March 2022

**11 Tangible fixed assets**

	Leasehold improvements	Office equipment	Computers	Motor vehicles	Total
	£	£	£	£	£
At 1 April 2021	48,680	25,231	253,973	226,718	554,602
Additions	471,982	216,933	119,818	117,060	925,793
Disposals	(48,680)	(19,591)	(88,914)	(229,279)	(386,464)
At 31 March 2022	471,982	222,573	284,877	114,499	1,093,931
At 1 April 2021	38,097	11,612	128,048	50,318	228,075
Depreciation charged in the year	89,710	13,799	83,499	54,156	241,164
Eliminated in respect of disposals	(48,680)	(14,313)	(88,914)	(44,044)	(195,951)
At 31 March 2022	79,127	11,098	122,633	60,430	273,288
<b>Carrying amount</b>					
At 31 March 2022	392,855	211,475	162,244	54,069	820,643
At 31 March 2021	10,583	13,619	125,925	176,400	326,527

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

	2022	2021
	£	£
Motor vehicles	54,069	176,400

**12 Fixed asset investments**

	Notes	2022	2021
		£	£
Investments in subsidiaries	13	3,870,744	2,375,762

Hamilton Court Foreign Exchange Limited

Notes to the financial statements (continued)

For the year ended 31 March 2022

12 Fixed asset investments (continued)

Movements in fixed asset investments

	Shares in subsidiaries £
<b>Cost or valuation</b>	
At 1 April 2021	2,375,762
Additions	1,495,145
Disposals	(163)
At 31 March 2022	<u>3,870,744</u>
<b>Carrying amount</b>	
At 31 March 2022	<u>3,870,744</u>
At 31 March 2021	<u><u>2,375,762</u></u>

13 Subsidiaries

Details of the company's subsidiaries at 31 March 2022 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held Direct
Hamilton Court Foreign Exchange Securities Trading Company SIM SpA	Via Dante, 7 20123, Milano, Italy	Foreign exchange services	Ordinary	100
Hamilton Court Foreign Exchange Payments S.r.l	Via Dante, 7 20123, Milano, Italy	Foreign exchange services	Ordinary	100

14 Debtors

	2022 £	2021 £
<b>Amounts falling due within one year:</b>		
Amounts owed by group undertakings	2,259,411	102,731
Other debtors	-	20,216
Prepayments and accrued income	7,423,910	4,377,001
	<u>9,683,321</u>	<u>4,499,948</u>

Hamilton Court Foreign Exchange Limited

Notes to the financial statements (continued)

For the year ended 31 March 2022

**15 Creditors: amounts falling due within one year**

	Notes	2022 £	2021 £
Obligations under finance leases	18	97,559	27,167
Other borrowings	17	575,741	575,741
Trade creditors		117,038	18,767
Amounts owed to group undertakings		-	86,611
Corporation tax		229,719	550,052
Other taxation and social security		119,522	119,409
Other creditors		22,773,655	18,541,376
Accruals and deferred income		3,919,719	2,017,420
		<u>27,832,953</u>	<u>21,936,543</u>

**16 Creditors: amounts falling due after more than one year**

	Notes	2022 £	2021 £
Obligations under finance leases	18	10,846	156,928
Other borrowings	17	3,283,559	3,309,144
Accruals and deferred income		112,523	-
		<u>3,406,928</u>	<u>3,466,072</u>

**17 Loans and overdrafts**

	2022 £	2021 £
Other loans	4,000,000	4,000,000
Transaction costs	(140,700)	(115,115)
	<u>3,859,300</u>	<u>3,884,885</u>
Payable within one year	575,741	575,741
Payable after one year	3,283,559	3,309,144

The total loan facility of £4,000,000 has been fully drawn at 31 March 2022. Interest is charged on drawn amounts at a rate of 7.5% per annum. The loan is secured against certain assets of the company, and is repayable by instalments commencing in December 2022, with final repayment due in 2024.

Hamilton Court Foreign Exchange Limited

Notes to the financial statements (continued)

For the year ended 31 March 2022

**18 Finance lease obligations**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Future minimum lease payments due under finance leases:		
Within one year	97,558	27,167
In two to five years	10,847	156,928
	<u>108,405</u>	<u>184,095</u>

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 the assets. The average lease term is 2.5 years. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments.

**19 Retirement benefit schemes**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
<b>Defined contribution schemes</b>		
Charge to profit or loss in respect of defined contribution schemes	41,023	24,093

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

**20 Share capital**

	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
	<b>Number</b>	<b>Number</b>	<b>£</b>	<b>£</b>
<b>Ordinary share capital</b>				
<b>Issued and fully paid</b>				
Ordinary A shares of £1 each	4,811,125	4,811,125	4,811,125	4,811,125
Ordinary B1 shares of 0.01p each	12,624,907	12,624,907	1,262	1,262
Ordinary B2 shares of 0.01p each	664,469	664,469	66	66
Ordinary C shares of 0.01p each	3,560,871	3,560,871	356	356
Ordinary D shares of 0.01p each	315,000	-	32	-
	<u>21,976,372</u>	<u>21,661,372</u>	<u>4,812,841</u>	<u>4,812,809</u>

**Hamilton Court Foreign Exchange Limited**

**Notes to the financial statements (continued)**

**For the year ended 31 March 2022**

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**20 Share capital (continued)**

The Ordinary A shares are non-voting shares which carry no right to receive dividends. On liquidation, the Ordinary A shareholders are paid in priority to other shareholders an amount equal to the subscription price and, if sufficient funds available, a preferred return of 10% of subscription price.

The Ordinary B1 shares carry voting and dividend rights. On liquidation, and after payment made to the Ordinary A shareholders, the Ordinary B1 shareholders are paid (in conjunction with the Ordinary B2 shareholders) an amount equal to the hurdle amount, with any remaining funds over the hurdle amount distributed between the Ordinary B1 and Ordinary C shareholders.

The Ordinary B2 shares carry voting and dividend rights. On liquidation, and after payment made to the Ordinary A shareholders, the Ordinary B2 shareholders are paid (in conjunction with the Ordinary B1 shareholders) an amount equal to the hurdle amount.

The Ordinary C shares are non-voting shares which carry no right to receive dividends. On liquidation, the Ordinary C shareholders are entitled to a distribution (in conjunction with the B1 shareholders) of any funds remaining after payment of the hurdle amount.

The Ordinary D shares are non-voting shares which carry no right to receive dividends. On liquidation, the Ordinary D shareholders are entitled to a distribution in line with the D share tranche allocation amounts.

**21 Operating lease commitments**

**Lessee**

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

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Within one year	374,400	-
Between two and five years	624,000	-
	<u>998,400</u>	<u>-</u>
	<u><u>998,400</u></u>	<u><u>-</u></u>

## Hamilton Court Foreign Exchange Limited

### Notes to the financial statements (continued)

For the year ended 31 March 2022

#### 22 Related party transactions

The company is exempt from disclosing related party transactions with wholly owned members for the same group.

During the year, the company paid rent of £397,815 (2021: £303,891) to a company with a director in common. At 31 March 2022 the amount due to the related party was £nil (2021: £nil).

During the year, the company recharged rental costs to a fellow subsidiary (2021: a non-wholly owned subsidiary) of £24,443 (2021: £37,566). At 31 March 2022 the fellow subsidiary owed £662,429 to the company. AS 31 March 2021 the company owed the non-wholly subsidiary £86,611.

During the year services totalling £34,440 (2021: £28,860) were provided by a company with a director in common. At 31 March 2022 the amount due to the related party was £nil (2021: £2,220).

At 31 March 2022, the company owed £6,304 (2021: £3,305) to a director of the company.

#### 23 Ultimate controlling party

The directors do not consider there to any one ultimate controlling party.

#### 24 Cash generated from/(absorbed by) operations

	2022	2021
	£	£
Profit for the year after tax	1,451,846	1,540,227
<b>Adjustments for:</b>		
Taxation charged	480,981	799,420
Finance costs	366,223	360,296
Investment income	(21,267)	(9,759)
Gain on disposal of tangible fixed assets	(5,086)	(9,135)
Amortisation and impairment of intangible assets	1,328,937	1,328,938
Depreciation and impairment of tangible fixed assets	241,164	165,393
Amortisation of loan transaction costs	(25,585)	-
<b>Movements in working capital:</b>		
Increase in debtors	(5,183,373)	(1,632,193)
Increase/(decrease) in creditors	6,258,874	(14,397,323)
<b>Cash generated from/(absorbed by) operations</b>	<b>4,892,714</b>	<b>(11,854,136)</b>

Hamilton Court Foreign Exchange Limited

Notes to the financial statements (continued)

For the year ended 31 March 2022

25 Analysis of changes in net funds

	1 April 2021	Cash flows	Other non-cash changes	31 March 2022
	£	£	£	£
Cash at bank and in hand	33,893,484	1,445,610	-	35,339,094
Borrowings excluding overdrafts	(3,884,885)	-	25,585	(3,859,300)
Obligations under finance leases	(184,095)	75,690	-	(108,405)
	<u>29,824,504</u>	<u>1,521,300</u>	<u>25,585</u>	<u>31,371,389</u>

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.