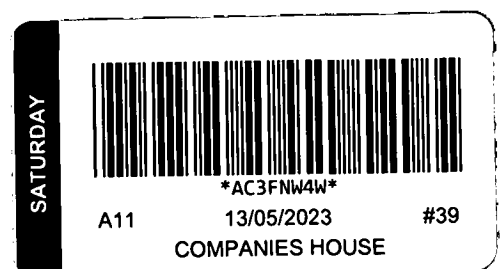

NOVUM SECURITIES LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2023



NOVUM SECURITIES LIMITED

COMPANY INFORMATION

Directors	C Brook-Partridge H McAlister
Registered number	05879560
Registered office	57 Berkeley Square London England W1J 6ER
Independent auditors	Barnes Roffe LLP Chartered Accountants & Statutory Auditors 3 Brook Business Centre Cowley Mill Road Uxbridge Middlesex UB8 2FX

NOVUM SECURITIES LIMITED

GROUP STRATEGIC REPORT FOR THE YEAR ENDED 31 JANUARY 2023

Introduction

The directors present their Group strategic report for the year ended 31 January 2023.

Principal activities

The principal activity of the group is to provide corporate brokerage services, with a focus on stock broking and corporate finance services.

Business review and future developments

Turnover decreased by 43.09% to £1,806,940 (2022 - £3,174,861) as a result of very difficult and unpredictable market conditions following the Russian invasion of Ukraine and the subsequent economic turmoil. Liquidity in the market dried up completely in September following the UK Government's interim budget announcements. When all of these factors are considered the performance for the year was relatively strong.

The group generated loss before tax of £195,704 compared to a profit before tax of £1,153,768 in the prior year. The group's finances remain secure with a healthy surplus of resources over its regulatory financial requirements. The directors intend to maintain their focus on growing and developing the core business.

Principal risks and uncertainties

Risk (both business and financial) is inherent in the group's business and activities. The group's ability to identify, assess, monitor and manage each type of risk is an important factor to the performance and future development of the group.

The principal risks faced by the group are as follows:

Market risk

The most significant areas of market risk to which the group is exposed are price risk, credit risk and liquidity risk. The directors do not believe they have a material exposure to foreign exchange rate risk and interest rate risk.

Price risk

The group is exposed to market risk in respect of its fair value through profit or loss financial instruments. The group seeks to manage this risk by increasing the diversity of its trading investments and closely monitoring individual positions relative to the group as a whole.

The group holds trading investments on publicly traded markets. The trading investments are quoted on active markets and the related financial assets and liabilities are stated at fair values based on the contracted actual costs and the quoted market prices of those instruments at the Statement of financial position date. The group also holds investments in private companies. The fair value of these investments are based on the latest fundraising of the private companies.

Interest rate risk

As the group has no borrowings other than an overdraft facility, the risk is limited to the reduction of the interest received on cash surpluses held.

NOVUM SECURITIES LIMITED

GROUP STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2023

Credit risk

The group's credit risk is primarily attributable to its financial assets at fair value through profit or loss, trade receivables and cash equivalents. The group has implemented policies that require appropriate credit checks on customers and counterparties.

Liquidity risk

The group seeks to manage liquidity risk to ensure that sufficient liquidity is available to meet foreseeable needs and to invest cash assets safely and profitably. The group deems there is sufficient liquidity for the foreseeable future.

Trading liabilities are not analysed by contractual maturity because trading assets and liabilities are typically held for short periods of time.

Regulatory risk and capital risk management

The group is subject to regulatory risk as a result of the need to meet regulatory capital requirements.

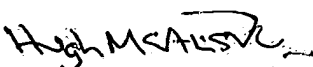
The group's objectives when managing capital are to safeguard the group's ability to continue as a going concern in order to provide return for shareholders and maintain an optimal capital structure to reduce the cost of capital.

The group defines capital as being share capital plus reserves. In calculating capital, the group's capital is analysed into Tier 1 capital. Tier 1 capital is the core measure of the group's financial strength from a regulator's point of view. It consists of the types of financial capital considered the most reliable and stable, primarily being shareholders' equity.

Key performance indicators

The directors use a number of different measures to monitor the ongoing performance of the group. These include daily reconciliations of revenue streams, capital adequacy and the firm's liquid resources against budget together with detailed monthly analysis of trading versus budget. These daily snapshots of the business together with the monthly management accounts and the discussion and decisions that result from them are a vital part of the management of the business and the need to mitigate risk whilst maximising the growth and profitability of the business.

This report was approved by the board on 11/05/2023 and signed on its behalf.


.....
H McAlister
Director

NOVUM SECURITIES LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 JANUARY 2023

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

Directors' responsibilities statement

The directors are responsible for preparing the Group strategic report, the Directors' report and the consolidated financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and the Group and of the profit or loss of the Group for that period.

In preparing these financial statements, the directors are required to:

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

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and the Group and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Going concern

In assessing the group's going concern status, the directors have considered the trading results since the year end, the profit and loss forecast and cash flow forecast. It is the directors' expectation that the group will generate sufficient profits and cash to meet its regulatory resources requirements and other obligations as they fall due for a period of at least twelve months from the date of approval of the financial statements. On this basis the preparation of accounts on a going concern basis remains appropriate.

Results

The loss for the year, after taxation, amounted to £195,704 (2022 - profit £1,153,768).

Capital Requirements Directive ('CRD')

Disclosures required by Pillar 3 of CRD are publicly available from the company's registered office.

Country by country reporting

The parent company is subject to the country by country reporting obligation under Article 89 of the Capital Requirements Directive IV.

The information required to be disclosed for the parent company's on-going reporting obligations for the year ended 31 January 2023 is published within these financial statements (see note 22).

NOVUM SECURITIES LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JANUARY 2023**

Directors

The directors who served during the year were:

C Brook-Partridge
H McAlister

Matters covered in the Group strategic report

The company has chosen in accordance with section 414C of the Companies Act 2006, to set out the following information, which would otherwise be included in the Directors' report, in the Group strategic report: financial risk management and business review and future developments.

Disclosure of information to auditors

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

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

Post balance sheet events

There have been no subsequent events that require disclosure or adjustments to the financial statements.

Auditors

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

This report was approved by the board on 11/05/2023 and signed on its behalf.



.....
H McAlister
Director

NOVUM SECURITIES LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF NOVUM SECURITIES LIMITED

Opinion

We have audited the financial statements of Novum Securities Limited (the 'parent Company') and its subsidiaries (the 'Group') for the year ended 31 January 2023, which comprise the Group Statement of comprehensive income, the Group and Company Statements of financial position, the Group and Company Statement of changes in equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent Company's affairs as at 31 January 2023 and of the Group's loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's or the 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.

NOVUM SECURITIES LIMITED

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

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' 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.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Group 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 Group 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 Group and the parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group 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.

NOVUM SECURITIES LIMITED

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

Responsibilities of directors

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

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

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Group financial statements.

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

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

- The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- We identified the laws and regulations applicable to the company through discussion with directors and other management, and from our commercial knowledge and experience of the relevant sector;
- The specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, are as follows:
 - Companies Act 2006.
 - FRS102.
 - Tax legislation.
- We assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and reviewing board minutes;
- Laws and regulations were communicated within the audit team at the planning meeting, and during the audit as any further laws and regulation were identified. The audit team remained alert to instances of non-compliance throughout the audit; and
- As auditors of all group companies we were able to cover the above matters at a group and component level and thereby ensure the audit team were aware of the above matters across all group companies.

NOVUM SECURITIES LIMITED

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

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

- Making enquires of management as to where they consider there was susceptibility to fraud and their knowledge of actual suspected and alleged fraud;
- Considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations;
- Reviewing the financial statements and testing the disclosures against supporting documentation;
- Performing analytical procedures to identify any unusual or unexpected trends or anomalies;
- Inspecting and testing journal entries to identify unusual or unexpected transactions;
- Assessing whether judgement and assumptions made in determining significant accounting estimates were indicative of management bias; and
- Investigating the rationale behind significant transactions, or transactions that are unusual or outside the company's usual course of business.

The areas that we identified as being susceptible to misstatement through fraud were:

- Management bias in the estimates and judgements made;
- Management override of controls; and
- Posting of unusual journals or transactions.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

NOVUM SECURITIES LIMITED

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

Use of our report

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

Barnes Roffe LLP

Elliot S J Arwas (Senior statutory auditor)
for and on behalf of
Barnes Roffe LLP
Chartered Accountants & Statutory Auditors
3 Brook Business Centre
Cowley Mill Road
Uxbridge
Middlesex
UB8 2FX
Date: 11 May 2023

NOVUM SECURITIES LIMITED

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 JANUARY 2023**

	Note	2023 £	2022 £
Turnover	4	1,806,940	3,174,861
Gross profit		<u>1,806,940</u>	<u>3,174,861</u>
Administrative expenses		(2,082,896)	(2,118,238)
Operating (loss)/profit	5	(275,956)	1,056,623
Interest receivable and similar income	9	80,252	97,145
(Loss)/profit before taxation		<u>(195,704)</u>	<u>1,153,768</u>
Tax on (loss)/profit	10	-	-
(Loss)/profit for the financial year		<u>(195,704)</u>	<u>1,153,768</u>
 Total comprehensive income for the year		 <u>(195,704)</u>	 <u>1,153,768</u>

The notes on pages 15 to 25 form part of these financial statements.

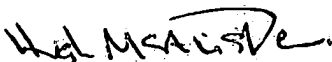
NOVUM SECURITIES LIMITED
REGISTERED NUMBER: 05879560

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 JANUARY 2023

	Note	2023 £	2023 £	2022 £	2022 £
Fixed assets					
Tangible assets	11		18,711		23,988
			<u>18,711</u>		<u>23,988</u>
Current assets					
Debtors: amounts falling due within one year	13	1,710,014		1,192,369	
Cash at bank and in hand	14	1,064,176		1,939,526	
		<u>2,774,190</u>		<u>3,131,895</u>	
Creditors: amounts falling due within one year	15	(1,221,014)		(1,388,292)	
Net current assets			<u>1,553,176</u>		<u>1,743,603</u>
Net assets			<u><u>1,571,887</u></u>		<u><u>1,767,591</u></u>
Capital and reserves					
Called up share capital	16		3,806,712		3,806,712
Other reserves	17		(2,375,979)		(2,375,979)
Profit and loss account	17		141,154		336,858
			<u><u>1,571,887</u></u>		<u><u>1,767,591</u></u>

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

11/05/2023


H McAlister
 Director

The notes on pages 15 to 25 form part of these financial statements.

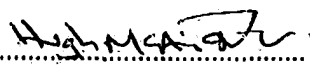
NOVUM SECURITIES LIMITED
REGISTERED NUMBER: 05879560

COMPANY STATEMENT OF FINANCIAL POSITION
AS AT 31 JANUARY 2023

	Note	£	2023 £	£	2022 £
Fixed assets					
Tangible assets	11		18,711		23,988
			<u>18,711</u>		<u>23,988</u>
Current assets					
Debtors: amounts falling due within one year	13	1,709,393		1,191,748	
Cash at bank and in hand	14	1,064,176		1,939,526	
		<u>2,773,569</u>		<u>3,131,274</u>	
Creditors: amounts falling due within one year	15	(1,775,249)		(1,942,527)	
Net current assets			<u>998,320</u>		<u>1,188,747</u>
Net assets			<u><u>1,017,031</u></u>		<u><u>1,212,735</u></u>
Capital and reserves					
Called up share capital	16		3,806,712		3,806,712
Other reserves	17		(2,375,979)		(2,375,979)
Profit and loss account brought forward		(217,998)		(1,371,766)	
Loss/(profit) for the year		<u>(195,704)</u>		<u>1,153,768</u>	
Profit and loss account carried forward	17		<u>(413,702)</u>		<u>(217,998)</u>
			<u><u>1,017,031</u></u>		<u><u>1,212,735</u></u>

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

11/05/2023


.....
H McAlister
Director

The notes on pages 15 to 25 form part of these financial statements.

NOVUM SECURITIES LIMITED

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 JANUARY 2023**

	Called up share capital	Other reserves	Profit and loss account	Total equity
	£	£	£	£
At 1 February 2022	3,806,712	(2,375,979)	336,858	1,767,591
Comprehensive income for the year				
Loss for the year	-	-	(195,704)	(195,704)
Other comprehensive income for the year	-	-	-	-
Total comprehensive income for the year	-	-	(195,704)	(195,704)
At 31 January 2023	3,806,712	(2,375,979)	141,154	1,571,887

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 JANUARY 2022**

	Called up share capital	Other reserves	Profit and loss account	Total equity
	£	£	£	£
At 1 February 2021	3,806,712	(2,375,979)	(816,910)	613,823
Comprehensive income for the year				
Profit for the year	-	-	1,153,768	1,153,768
Other comprehensive income for the year	-	-	-	-
Total comprehensive income for the year	-	-	1,153,768	1,153,768
At 31 January 2022	3,806,712	(2,375,979)	336,858	1,767,591

The notes on pages 15 to 25 form part of these financial statements.

NOVUM SECURITIES LIMITED

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

	Called up share capital	Other reserves	Profit and loss account	Total equity
	£	£	£	£
At 1 February 2022	3,806,712	(2,375,979)	(217,998)	1,212,735
Comprehensive income for the year				
Loss for the year	-	-	(195,704)	(195,704)
Other comprehensive income for the year	-	-	-	-
At 31 January 2023	3,806,712	(2,375,979)	(413,702)	1,017,031

**COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 JANUARY 2022**

	Called up share capital	Other reserves	Profit and loss account	Total equity
	£	£	£	£
At 1 February 2021	3,806,712	(2,375,979)	(1,371,766)	58,967
Comprehensive income for the year				
Profit for the year	-	-	1,153,768	1,153,768
Other comprehensive income for the year	-	-	-	-
At 31 January 2022	3,806,712	(2,375,979)	(217,998)	1,212,735

The notes on pages 15 to 25 form part of these financial statements.

NOVUM SECURITIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2023

1. General information

Novum Securities Limited is a company limited by shares, incorporated in England and Wales. The address of the registered office is 57 Berkeley Square, London, England, W1J 6ER. The company is authorised and regulated by the Financial Conduct Authority ('FCA').

The principal activity of the group is to provide corporate brokerage services, with a focus on stock broking and corporate finance services.

2. Accounting policies

2.1 Basis of preparation of financial statements

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

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

The company has taken exemption from producing a cashflow statement as it is included in the parent's consolidated financial statements.

The following principal accounting policies have been applied:

2.2 Basis of consolidation

The consolidated financial statements present the results of the Company and its own subsidiaries ("the Group") as if they form a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the Statement of financial position, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the Consolidated statement of comprehensive income from the date on which control is obtained. They are deconsolidated from the date control ceases.

2.3 Going concern

In assessing the group's going concern status, the directors have considered the trading results since the year end, the profit and loss forecast and cash flow forecast. It is the directors' expectation that the group will generate sufficient profits and cash to meet its regulatory resources requirements and other obligations as they fall due for a period of at least twelve months from the date of approval of the financial statements. On this basis the preparation of accounts on a going concern basis remains appropriate.

NOVUM SECURITIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2023

2. Accounting policies (continued)

2.4 Revenue

Revenue is generated from the Group's principal activity of corporate brokerage. Revenue is recognised according to the services as described below:

Corporate finance retainer fees are recognised in the year in which they are earned.

Corporate finance success fees are recognised on completion of the deal.

Stockbrokers commission is recognised upon execution of the trade.

In some cases the consideration received is in the form of quoted securities in the client companies. In such cases revenue is recognised at the weighted average bid-price of the security to which the service relates. When consideration is received in warrants on quoted securities, they are recognised at their fair value at the date of receipt using a valuation model.

2.5 Tangible fixed assets

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

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following bases:

Long-term leasehold property	- Over the life of the lease
Office equipment	- Over 3 years

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

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of comprehensive income.

2.6 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.7 Debtors

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

NOVUM SECURITIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2023

2. Accounting policies (continued)

2.8 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.9 Financial instruments

The Group only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties and loans to related parties.

Financial assets that are measured at cost and amortised cost are assessed at each reporting date for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of comprehensive income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Group would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the Statement of financial position when there is an 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.

The directors have provided for impairment against a listed security on the premise that the company has gone into liquidation. This is a departure from the accounting treatment under FRS 102, which requires similar financial instruments to be recognised at fair value through profit and loss. The directors believes such a departure is necessary in order to achieve a true and fair view.

2.10 Creditors

Short-term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

NOVUM SECURITIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2023

2. Accounting policies (continued)

2.11 Foreign currency translation

Functional and presentation currency

The Group's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each year end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of comprehensive income except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of comprehensive income within 'finance income or costs'. All other foreign exchange gains and losses are presented in the Statement of comprehensive income within 'other operating income'

2.12 Operating leases: the Group as lessee

Rentals paid under operating leases are charged to the Statement of comprehensive income on a straight-line basis over the lease term.

2.13 Pensions

Defined contribution pension plan

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

The contributions are recognised as an expense in the Statement of comprehensive income when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of financial position. The assets of the plan are held separately from the Group in independently administered funds.

2.14 Interest income

Interest income is recognised in the Statement of comprehensive income using the effective interest method.

NOVUM SECURITIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2023

2. Accounting policies (continued)

2.15 Taxation

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

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company and the Group operate and generate income.

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

The directors do not consider there to be any critical accounting judgements in preparing the Group's financial statements.

4. Turnover

The whole of the turnover relates to the group's principal activity and arose in the United Kingdom.

5. Operating (loss)/profit

The operating (loss)/profit is stated after charging:

	2023 £	2022 £
Depreciation of tangible fixed assets	16,805	11,555
Other operating lease rentals	82,033	80,228

6. Auditors' remuneration

	2023 £	2022 £
Fees payable to the Group's auditors for the audit of the consolidated and parent Company's financial statements	12,035	11,250

NOVUM SECURITIES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2023**

7. Employees

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

	2023 No.	2022 No.
Management and administration	9	9
	9	9

8. Directors' remuneration

	2023 £	2022 £
Directors' emoluments	565,175	502,270
Group contributions to defined contribution pension schemes	2,642	2,639
	567,817	504,909

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

The highest paid director received remuneration of £305,208 (2022 - £267,498).

The value of the Group's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £1,321 (2022 - £1,320).

9. Interest receivable

	2023 £	2022 £
Other interest receivable	80,252	97,145
	80,252	97,145

NOVUM SECURITIES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2023**

10. Taxation

	2023 £	2022 £
	<u> </u>	<u> </u>
Total current tax	<u> - </u>	<u> - </u>

Factors affecting tax charge for the year

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

	2023 £	2022 £
(Loss)/profit on ordinary activities before tax	<u>(195,704)</u>	<u>1,153,768</u>
(Loss)/profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2022 - 19%)	<u>(37,184)</u>	<u>219,216</u>
Effects of:		
Capital allowances for year in excess of depreciation	(470)	(2,279)
Expenses not deductible for tax purposes	2,985	2,843
Other differences leading to an increase in the tax charge	12	(39)
Utilisation of losses	-	(219,741)
Unrelieved tax losses carried forward	34,657	-
	<u> </u>	<u> </u>
Total tax charge for the year	<u> - </u>	<u> - </u>

Factors that may affect future tax charges

The company has tax losses carried forward of £5,699,639 (2022 - £5,517,234) which may affect future tax charges.

In the March 2021 Budget it was announced that the UK corporation tax rate would increase to 25% from 1 April 2023 for profits over £250,000. There are no other significant factors that may affect future tax charges.

NOVUM SECURITIES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2023**

11. Tangible fixed assets

Group and Company

	Long-term leasehold property £	Office equipment £	Total £
Cost			
At 1 February 2022	14,816	59,655	74,471
Additions	-	11,528	11,528
At 31 January 2023	<u>14,816</u>	<u>71,183</u>	<u>85,999</u>
Depreciation			
At 1 February 2022	14,816	35,667	50,483
Charge for the year	-	16,805	16,805
At 31 January 2023	<u>14,816</u>	<u>52,472</u>	<u>67,288</u>
Net book value			
At 31 January 2023	<u>-</u>	<u>18,711</u>	<u>18,711</u>
At 31 January 2022	<u>-</u>	<u>23,988</u>	<u>23,988</u>

All of the group's tangible fixed assets are held in the parent company.

NOVUM SECURITIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2023

12. Fixed asset investments

Subsidiary undertakings

The following was a subsidiary undertaking of the Company:

Name	Class of	Holdings	Principal
Novum Private Clients Limited	Ordinary	100%	Dormant

Company

The cost and carrying value of investments in subsidiaries as at 1 February 2022 and 31 January 2023 was £Nil.

13. Debtors

	Group 2023 £	Group 2022 £	Company 2023 £	Company 2022 £
Trade debtors	680,864	256,200	680,864	256,200
Amounts owed by group undertakings	669,987	533,554	669,987	533,554
Other debtors	315,057	358,546	314,436	357,925
Prepayments and accrued income	44,106	44,069	44,106	44,069
	<u>1,710,014</u>	<u>1,192,369</u>	<u>1,709,393</u>	<u>1,191,748</u>

14. Cash and cash equivalents

	Group 2023 £	Group 2022 £	Company 2023 £	Company 2022 £
Cash at bank and in hand	1,064,176	1,939,526	1,064,176	1,939,526
	<u>1,064,176</u>	<u>1,939,526</u>	<u>1,064,176</u>	<u>1,939,526</u>

NOVUM SECURITIES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2023**

15. Creditors: Amounts falling due within one year

	Group 2023 £	<i>Group 2022 £</i>	Company 2023 £	<i>Company 2022 £</i>
Trade creditors	85,147	272,301	85,147	272,301
Amounts owed to group undertakings	-	-	554,235	554,235
Other taxation and social security	119,219	190,731	119,219	190,731
Other creditors	1,758	1,618	1,758	1,618
Accruals and deferred income	1,014,890	923,642	1,014,890	923,642
	<u>1,221,014</u>	<u>1,388,292</u>	<u>1,775,249</u>	<u>1,942,527</u>

16. Share capital

	2023 £	<i>2022 £</i>
Allotted, called up and fully paid		
38,067,120 Ordinary shares of £0.10 each	<u>3,806,712</u>	<u>3,806,712</u>

17. Reserves

Other reserves

Other reserves represents treasury shares held by the group.

Profit and loss account

Profit and loss account includes all current and prior year retained profits and losses.

18. Pension commitments

The company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £8,745 (2022 - £69,700). The balance owing to the pension fund at year end amounted to £1,758 (2022 - £1,618).

NOVUM SECURITIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2023

19. Related party transactions

The company has taken advantage of the exemption allowed by FRS102, as a wholly-owned subsidiary, not to disclose any transactions between the company and its parent undertaking.

During the year the company received commission income from directors amounting to £2,667 (2022 - £13,056).

Key management personnel comprise only the directors, whose remuneration is stated in note 8.

20. Post balance sheet events

There have been no subsequent events that require disclosure or adjustments to the financial statements.

21. Ultimate parent undertaking and controlling party

The company is a wholly owned subsidiary of Hyde Park Holdings Limited, a company incorporated in England and Wales with registered office 57 Berkeley Square, London, W1J 6ER. The smallest group and the largest group where the company's financial statements are consolidated is Novum Securities Limited and Hyde Park Holdings Limited respectively.

The ultimate controlling party is Epsilon Investment Pte Ltd, a company based in Singapore, based on their majority shareholding in the parent undertaking.

22. IFPRU and Country by Country reporting

The parent company is subject to the Country by Country Reporting obligation under article 89 of the Capital Requirements Directive IV.

The parent company has published its annual reporting obligation for the year ended 31 January 2023 in these financial statements as follows:

- i. Names of company, subsidiaries or branches, nature of activities and geographical location - Notes 1 and 21
- ii. Turnover - Consolidated statement of comprehensive income
- iii. Number of employees on a full time equivalent basis - Note 7
- iv. Profit or loss before tax - Consolidated statement of comprehensive income
- v. Tax on profit or loss - Note 10
- vi. Public subsidies received - £Nil

As defined under IFPRU 9, the parent company's return on assets, calculated as net profit/loss divided by total Statement of financial position, was -19.24% for the year ended 31 January 2023.

Net loss	£195,704
Net assets	£1,017,031
Return on assets (19.24%)	