

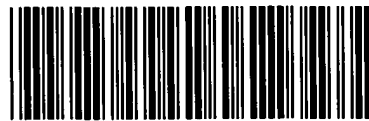
Registered number: 07101360

ICM CAPITAL LIMITED

FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2022

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COMPANIES HOUSE

LUBBOCK FINE LLP
Chartered Accountants
Paternoster House
65 St Paul's Churchyard
London EC4M 8AB

ICM CAPITAL LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

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ICM CAPITAL LIMITED

COMPANY INFORMATION

FOR THE YEAR ENDED 31 DECEMBER 2022

Directors	S Abedi M Issapoor T Bui
Company secretary	S Abedi
Registered number	07101360
Registered office	Level 17 Dashwood House 69 Old Broad Street London EC2M 1QS United Kingdom
Independent auditors	Lubbock Fine LLP Chartered Accountants & Statutory Auditors Paternoster House 65 St Paul's Churchyard London EC4M 8AB United Kingdom
Bankers	Barclays Bank PLC 1 Churchill Place London E14 5HP United Kingdom Emirates NBD Bank GHO, Baniyas Road P.O. Box 777 Dubai United Arab Emirates

ICM CAPITAL LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022

The directors have pleasure in presenting their strategic report on the Company for the year ended 31 December 2022.

Business review

The principal activity of the Company during the year was that of market making services in spot foreign exchange and contracts for difference. The Company is authorised and regulated by the Financial Conduct Authority (FCA) within the United Kingdom, where the principal activities of the business are conducted.

The secondary activity of the Company during the year was that of providing shared services and expert support to related parties.

Results and performance

The Company has recorded a loss on ordinary activities before taxation of £(1,318,786) (2021 loss on ordinary activities before tax of £(1,476,168) and a loss after tax of £(989,081) (2021: loss £(1,117,987) for the year.

Principal risks and uncertainties

The principal risk facing the Company would be the removal of brokerage income which is primarily driven by market conditions and regulation change. The Company continually reviews these risks and takes any action deemed necessary.

Business environment and future developments

The Company operates within the financial sector with its main focus being in the UK, the Middle East and Asia. The success of the Company will rely on the ability to attract more clients. Due to the ever-changing economic landscape and with recovery and growth expected in the market, the Company's position is expected to grow further.

Since the introduction of the new ESMA rule, the Company has continued to shift its focus towards an institutional offering and as of February 2022 the company has withdrawn from retail activity and is now focused on professional clients.

Financial key performance indicators

The Company considers turnover and profit to be its key performance indicators where it achieved turnover of £(266,160) (2021: £(194,390)) and a loss on ordinary activities before taxation of £(1,318,786) (2021: loss on ordinary activities before taxation of £(1,476,168)) for the year.

Governance

The Company recognises the importance of a high standard of corporate governance, not at least because of its status as a regulated entity. The Company has adopted a robust corporate governance policy and strict compliance guidelines that are integral to all aspects of its business.

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

Section 172(1) statement by the Board.

Under the Companies Act 2006, the directors must act in a way that they consider, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole. In doing this, the directors must take into account, among other factors:

- The likely consequences of any decision in long term;
- The interest of Company's employees;
- The need to foster Company's business relationships with suppliers, customers and others;
- The impact of Company's operations on the community and the environment;
- The desirability of the Company maintaining a reputation for high standards of business conduct;
- The need to act fairly.

The board recognises that the Company's growth and prosperity is directly correlated to the needs and engagement with our key stakeholders. The Company is committed to effectively engaging with all key stakeholders of the Company which enables the directors to comply with their legal duties under section 172 of the Companies Act 2006.

The Company considers its key stakeholders are as follows:

- Clients
- Employees
- Regulators
- Service providers

Clients

The Company and its staff strive to ensure high standards of service to ensure the receipt of best results for its clients. There are many firms operating in the Company's industry; therefore, meeting the challenges of the competition is equally important. The Company treats its clients fairly, and with due care in a multi-language environment. The Company endeavours to offer a product range to meet clients' demands and expectations. There are no unreasonable barriers to clients making a complaint.

Employees

The Company's approach is to encourage a team of dedicated and reliable personnel to deliver transparent and credible business practices in line with the Company's policies and procedures and targets. The Company values its staff keeping them informed on the Company's strategy and encouraging professional development. Being a "boutique" firm enables the Company to engage with all its personnel effectively without barriers of complex reporting lines; constructive feedback is always welcomed and open to anyone within the Company.

Regulators

Compliance with the host of applicable regulatory and statutory requirements not only builds trust of our stakeholders but is essential for the continuity of the Company's business. The Company and its employees communicate with its regulators constructively and in an open and transparent manner.

Service Providers

The Company engages with service providers to develop a mutually beneficial partnership. Service providers are crucial to ensure the quality of service the Company provides to its clients. In addition to written agreements, the Company engages with its service providers through informal and formal meetings to exchange information and to follow up formal interactions to ensure common understandings and priorities.

The Company's business conduct and objectives embrace high standards of compliance in line with regulatory expectations.

ICM CAPITAL LIMITED


STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

In addition, the Company embraces the following principles for its business:

1. Integrity
The Company must conduct its business with integrity.
2. Skill, Care & Diligence
The Company must conduct its business with due skill, care and diligence.
3. Management & Control
The Company must take reasonable care to organise and control its affairs responsibly and effectively, with adequate risk management systems.
4. Financial Prudence
The Company maintains adequate financial resources.
5. Market Conduct
The Company must observe proper standards of market conduct.
6. Customer's interests
The Company must pay due regard to the interests of its customers and treat them fairly.
7. Communications with clients
The Company must pay due regard to the information needs of its clients and communicate information to them in a way which is clear, fair and not misleading.
8. Conflicts of interest
The Company must manage conflicts of interest fairly, both between itself and its customers and between a customer and another client.
9. Customers: Relationships of Trust
The Company must take reasonable care to ensure the suitability of its advice and discretionary decisions for any customer who is entitled to rely upon judgment.
10. Clients' Assets
The Company must arrange adequate protection for a client's assets.
11. Relations with Regulators
The Company must deal with its regulators in an open and cooperative way and must disclose to the FCA appropriately anything relating to the Company of which that regulator would reasonably expect notice.

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


.....
T. Bui
Director

Date: 26/4/2023

ICM CAPITAL LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022

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

Directors' responsibilities statement

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

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

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

- select suitable accounting policies for the Company's financial statements and then apply them consistently;
- make 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

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

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements and other information included in Directors' Reports may differ from legislation in other jurisdictions.

Results and dividends

The loss for the year, after taxation, amounted to £(989,081) (2021: loss (1,117,987)).

No dividends have been declared for the year ended 31 December 2022 (2021: nil).

Directors

The directors who served during the year were:

S Abedi
M Issapoor
T Bui

ICM CAPITAL LIMITED

DIRECTORS' REPORT (*CONTINUED*)

FOR THE YEAR ENDED 31 DECEMBER 2022

Future developments

Refer to relevant section under strategic report.

Financial instruments and risk management

The Company's overall risk framework is established by the Board of Directors (BOD) through instructions set out in the Company's compliance regulations manual. The BOD determines that the responsibility for overseeing risk management and assessment rests with the directors.

Matters covered in the strategic report

In accordance with section 414C(11) of the Companies Act 2006, the Company has chosen to include information in relation to future developments in the Company's strategic report.

Disclosure of information to auditors

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

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

Greenhouse gas emissions

The Company's annual energy consumption in the UK is less than 40,000 kWh and is therefore exempt from the requirement to include greenhouse gas emissions, energy consumption and energy efficiency disclosure.

IFPR MIFIDPRU

In accordance with the rules of the FCA, the Company has published information on its risk management objectives and regulatory capital requirement and resources. Details of the Company IFPR MIFIDPRU8 disclosures are available at the Company website www.icmcapital.co.uk. These disclosures are unaudited.

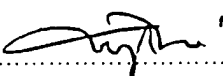
Post balance sheet events

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

Auditors

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

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



T. Bui
Director

Date: 26/4/2023

Opinion

We have audited the financial statements of ICM Capital Limited (the 'Company') for the year ended 31 December 2022, which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity, Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is the applicable law and the 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 December 2022 and of its 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 the applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Other information

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

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

We have nothing to report in this regard.

**INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF ICM CAPITAL LIMITED
(CONTINUED)**

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and the Directors' Report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement on page 5, 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.

Auditors' responsibilities for the audit of the financial statements

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

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

- Enquiries of management, including obtaining and reviewing supporting documentation, concerning the company's policies and procedures relating to:
 - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; and
 - the internal controls established to mitigate the risks related to fraud or non-compliance of laws and regulations; and
- Discussions among the engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

**INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF ICM CAPITAL LIMITED
(CONTINUED)**

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

We also obtained an understanding of the legal and regulatory framework that the company operates in, focusing on provisions of those laws and regulations that had direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the UK Companies Act and FRS 102.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty. These included Money Laundering Regulations, FCA Regulations, health and safety regulations and employment law.

As a result of these procedures, we considered the particular areas that were susceptible to misstatement due to fraud were in respect of revenue recognition and management override, unidentified related parties and completeness of commitments.

Our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to our supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- enquiring of management concerning actual and potential litigation and claims;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings of those charged with governance;
- reviewing revenue recognition on a sample basis;
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the rationale of any significant transactions that are unusual or outside the normal course of the company's operations;
- obtaining the results of the CASS assurance engagement completed alongside the audit;
- reviewing related party transactions and agreeing the list of related parties to signed director confirmation.

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

Use of our report

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

Stephen Banks

Stephen Banks (Senior Statutory Auditor)

for and on behalf of
Lubbock Fine LLP

Chartered Accountants & Statutory Auditors

Paternoster House
65 St Paul's Churchyard
London
EC4M 8AB

Date: 26 April 2023

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	2022 £	2021 £
Turnover	4	(266,160)	(194,390)
Cost of sales		<u>(31,518)</u>	<u>4,675</u>
Gross loss		(297,678)	(189,715)
Administrative expenses		(2,042,041)	(3,852,734)
Other operating income		<u>1,012,884</u>	<u>2,565,423</u>
Operating loss	5	(1,326,835)	(1,477,026)
Interest receivable and similar income		<u>8,049</u>	<u>858</u>
Loss before tax		(1,318,786)	(1,476,168)
Tax on Loss	8	<u>329,705</u>	<u>358,181</u>
Loss for the year		<u>(989,081)</u>	<u>(1,117,987)</u>

There were no recognised gains and losses for 2022 and 2021 other than those included in the statement of comprehensive income.

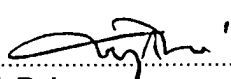
The notes on pages 14 to 27 form part of these financial statements.

STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2022

	Notes	2022 £	2021 £
Fixed assets			
Intangible assets	9	4,187	12,677
Tangible assets	10	39,455	52,444
		<u>43,642</u>	<u>65,121</u>
Current assets			
Debtors: amounts falling due within one year	11	1,571,461	2,673,077
Cash and cash equivalents	12	895,852	811,678
		<u>2,467,313</u>	<u>3,484,755</u>
Creditors: amounts falling due within one year	13	(224,091)	(273,931)
Net current assets		<u>2,243,222</u>	<u>3,210,824</u>
Net assets		<u><u>2,286,864</u></u>	<u><u>3,275,945</u></u>
Capital and reserves			
Called up share capital	18	1,099,713	1,099,713
Profit and loss account		1,187,151	2,176,232
		<u><u>2,286,864</u></u>	<u><u>3,275,945</u></u>

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


 T. Bui
 Director

Date: 26/4/2023

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2022

	Called up share capital £	Profit and loss account £	Total £
At 1 January 2021	1,099,713	3,294,219	4,393,932
Loss for the year	-	(1,117,987)	(1,117,987)
At 31 December 2021	<u>1,099,713</u>	<u>2,176,232</u>	<u>3,275,945</u>
At 1 January 2022	1,099,713	2,176,232	3,275,945
Loss for the year	-	(989,081)	(989,081)
At 31 December 2022	<u>1,099,713</u>	<u>1,187,151</u>	<u>2,286,864</u>

The notes on pages 14 to 27 form part of these financial statements.

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2022

	2022 £	2021 £
CASH FLOWS FROM OPERATING ACTIVITIES		
Operating loss before income tax	(1,318,786)	(1,476,168)
Adjustments for:		
Exceptional item	97,150	8,066
Exceptional item	-	(162,857)
Amortisation of intangible assets	8,490	64,021
Depreciation of tangible assets	16,280	30,523
Loss on disposal of tangible assets	2,577	-
Interest income	(8,049)	(858)
Changes in working capital	(1,202,338)	(1,537,273)
Change in debtors	1,433,962	848,610
Change in creditors	(47,350)	(884,648)
Net cash generated from operations	184,274	(1,573,311)
Interest received	8,049	858
Corporation taxes paid	(5,130)	-
NET CASH USED IN OPERATING ACTIVITIES	187,193	(1,572,453)
CASH FLOWS USED FOR INVESTING ACTIVITIES		
Purchase of tangible assets	(5,868)	(4,561)
NET DECREASE IN CASH AND CASH EQUIVALENTS	181,325	(1,577,014)
CASH AND CASH EQUIVALENTS		
At the beginning of the year	1,630,581	3,207,595
At the end of the year	1,811,906	1,630,581
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR COMPRISE:		
Cash at bank and in hand	1,811,906	1,630,581
Provision for exceptional items	(916,054)	(818,903)
	895,852	811,678

The notes on pages 14 to 27 form part of these financial statements.

ICM CAPITAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

1. GENERAL INFORMATION

ICM Capital Limited ('the Company') is a private company, limited by shares, incorporated in England and Wales on 10 December 2009, registration number 07101360.

The Company's registered office and principal place of business is Level 17, Dashwood House, 69 Old Broad Street, London, EC2M 1QS, United Kingdom.

2. ACCOUNTING POLICIES

2.1 Basis of preparation of financial statements

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

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

The financial statements are presented in £ which is the functional and presentational currency of the Company. All values are rounded to the nearest £ unless otherwise indicated.

The following principal accounting policies have been applied:

2.2 Turnover

Turnover is composed of retail and professional market-making profits earned from trading in spot foreign exchange and CFD's. Gains and losses are recognised on closed positions as they occur and on open positions using a mark-to-market valuation.

2.3 Cost of sales

Cost of sales is made up of commission payable to internal salesforce. Commissions are recognised on the day trades are executed.

2.4 Other operating income

Other Operating income is composed of institutional market-making profits/(losses) and shared services revenue.

2.5 Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the revaluation model, intangible assets shall be carried at a revalued amount, being its fair value at the date of revaluation less any subsequent accumulated amortisation and subsequent impairment losses - provided that the fair value can be determined by reference to an active market.

Revaluations are made with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the balance sheet date.

2. ACCOUNTING POLICIES (*CONTINUED*)

2.5 Intangible assets (*continued*)

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

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

2.6 Tangible assets

Tangible 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.

The Company adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the Company. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to profit or loss during the period in which they are incurred.

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 basis:

Fixtures and fittings – 20% straight line
Computer equipment – 20% straight line
Motor Vehicles – 20% straight line

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

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

2.7 Operating leases: the Company as lessee

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

2.8 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.

2.9 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. ACCOUNTING POLICIES (*CONTINUED*)

2.9 Cash and cash equivalents (*continued*)

In the Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Company's cash management.

2.10 Financial Instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Investments in non-derivative instruments that are equity to the issuer are measured:

- at fair value with changes recognised in the Statement of Comprehensive Income if the shares are publicly traded or their fair value can otherwise be measured reliably; or
- at cost less impairment for all other investments.

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

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.

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet 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.

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 income as appropriate. The company does not currently apply hedge accounting for interest rate and foreign exchange derivatives.

2. ACCOUNTING POLICIES (*CONTINUED*)

2.11 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.

2.12 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is £.

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

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

2.13 Pensions

Defined contribution pension plan

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

The contributions are recognised as an expense in 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 Company in independently administered funds.

2.14 Interest income

Interest income is recognised in profit or loss using the effective interest method.

2. ACCOUNTING POLICIES (*CONTINUED*)

2.15 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of Comprehensive Income in the year that the Company becomes aware of the obligation and are measured at the best estimate at the Statement of Financial Position date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of Financial Position.

2.16 Taxation

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

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

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance Sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

2.17 Client assets and deposits

The Company holds money on behalf of clients in accordance with the Client Money and Other Assets Rules of the Financial Conduct Authority. Such monies and the corresponding liability to clients are not shown on the face of the Balance Sheet as the Company is not beneficially entitled or obligated thereto. The amounts held on the behalf of clients at the Balance Sheet date are stated in Note 22.

ICM CAPITAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

3. JUDGEMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. There are no key sources of estimation uncertainty.

Judgements made by management that have significant effect on the financial statements and estimates with a significant risk of material adjustment comprise an estimation of residual value and useful lives of tangible assets and intangible assets and estimation of the amount of exceptional charges against bank accounts.

4. TURNOVER

The whole of the turnover is attributable to the principle activity of the Company.

Segment reporting

The following table provides a breakdown of the company's turnover by geographical area based on client country of residence.

	£ 2022	% 2022
Asia Pacific	(154,808)	(58.16)
EMEA	(111,651)	(41.95)
Americas'	299	0.11
	<u>(266,160)</u>	<u>100.00</u>
	£ 2021	% 2021
Asia Pacific	(150,926)	(77.64)
EMEA	(52,016)	(26.76)
Americas'	8,552	4.40
	<u>(194,390)</u>	<u>100.00</u>

5. OPERATING PROFIT/(LOSS)

The operating loss is stated after charging:

	2022 £	2021 £
Exceptional charges/(gain)*	97,150	8,066
Exceptional charges**	-	162,857
Foreign exchange loss	143,075	304,411
Depreciation and amortisation	24,770	94,544
Fees payable to the Company's auditor and its associates for the audit of the Company's accounts	41,000	36,000
Rent expense	66,891	198,109
Defined contribution pension cost	5,884	9,155

ICM CAPITAL LIMITED**NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED 31 DECEMBER 2022**

5. OPERATING PROFIT/(LOSS) (CONTINUED)

*Exceptional charges relate to the provision against bank accounts held with Emirates NBD (ENBD). In March 2017, ENBD blocked the Company's access to the funds for reasons unknown. The Company has appointed a legal counsel to pursue recovery of the funds. Total provision for exceptional items against bank accounts held with ENBD amounted to £916,054 as at 31 December 2022 (2021: £818,903) and are presented as a contra asset in note 12.

**Exceptional charges relate to write off on investment and office deposits.

6. EMPLOYEES

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

	2022 £	2021 £
Wages and salaries	1,036,365	1,848,866
Social security costs	86,281	122,799
Cost of defined contribution scheme	5,884	9,155
	<u>1,128,530</u>	<u>1,980,820</u>

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

	2022	2021
Number of employees	<u>15</u>	<u>16</u>

7. DIRECTORS' REMUNERATION

	2022 £	2021 £
Directors' emoluments	<u>101,309</u>	<u>447,703</u>

The highest paid director received remuneration of £61,433 (2021: £354,970).

The value of the Company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £nil (2021: nil).

The amount of the accrued lump sum in respect of the highest paid director at 31 December 2022 amounted to nil (2021: £547).

During the year Shoaib Abedi became and Mohammad Issapoor remained non-salaried Directors.

ICM CAPITAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

8. TAXATION

	2022 £	2021 £
Corporation tax		
Current tax on loss for the year	-	(5,130)
Deferred tax		
Origination and reversal of timing differences (see Note 14)	(329,705)	(353,051)
Taxation on loss on ordinary activities	<u>(329,705)</u>	<u>(358,181)</u>

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2021: higher than) the standard rate of corporation tax in the UK of 19.00%. The differences are explained below:

	2022 £	2021 £
Loss on ordinary activities before tax	<u>(1,318,786)</u>	<u>(1,476,168)</u>
Tax on Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 19.00% (2021: 19.00%)	(250,569)	(280,472)
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	171	790
Losses carried back	-	5,130
Adjustment to tax charge in respect of previous periods	-	(5,130)
Adjustment to tax charge in respect of previous periods – deferred tax	(234)	
Remeasurement of deferred tax for changes in tax rates	(79,073)	(79,489)
Fixed asset timing differences	-	990
Total tax charge for the year	<u>(329,705)</u>	<u>(358,181)</u>

Factors that may affect future tax charges

There are no factors affecting future tax charges.

9. INTANGIBLE ASSETS

	2022 £	2021 £
Cost		
At 1 January	453,943	453,943
At 31 December	<u>453,943</u>	<u>453,943</u>

ICM CAPITAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

9. INTANGIBLE ASSETS (CONTINUED)

At 1 January	441,266	377,245
Charge during the year	8,490	64,021
At 31 December	<u>449,756</u>	<u>441,266</u>
	=====	=====

Net book value

At 31 December	<u>4,187</u>	<u>12,677</u>
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10. TANGIBLE ASSETS

	Motor vehicle £	Fixtures and fittings £	Computer equipment £	Total £
Cost				
At 1 January 2021	6,378	172,253	119,535	298,166
Additions during the year	-	-	4,561	4,561
At 31 December 2021	<u>6,378</u>	<u>172,253</u>	<u>124,096</u>	<u>302,727</u>
At 1 January 2022	6,378	172,253	124,096	302,727
Additions	-	-	5,868	5,868
Disposals	-	(16,874)	(2,102)	(18,976)
At 31 December 2022	<u>6,378</u>	<u>155,379</u>	<u>127,862</u>	<u>289,619</u>
Accumulated depreciation				
At 1 January 2021	3,547	122,648	93,565	219,760
Charge during the year	1,276	13,678	15,569	30,523
At 31 December 2021	<u>4,823</u>	<u>136,326</u>	<u>109,134</u>	<u>250,283</u>
At 1 January 2022	4,823	136,326	109,134	250,283
Charge during the year	1,275	4,628	10,377	16,280
Disposals	-	(15,168)	(1,231)	(16,399)
At 31 December 2022	<u>6,098</u>	<u>125,786</u>	<u>118,280</u>	<u>250,164</u>
Net book value				
At 31 December 2022	<u>280</u>	<u>29,593</u>	<u>9,582</u>	<u>39,455</u>
At 31 December 2021	<u>1,555</u>	<u>35,927</u>	<u>14,962</u>	<u>52,444</u>

ICM CAPITAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022 £	2021 £
Other debtors	884,866	2,295,918
Prepayments	25,684	45,953
Deferred tax	660,911	331,206
	<u>1,571,461</u>	<u>2,673,077</u>

12. CASH AND CASH EQUIVALENTS

	2022 £	2021 £
Cash in bank and at hand	1,811,906	1,630,581
Provision for exceptional items*	(916,054)	(818,903)
	<u>895,852</u>	<u>811,678</u>

*Exceptional items relate to the provision against bank accounts held with Emirates NBD (ENBD) as disclosed in Note 5.

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022 £	2021 £
Due to HMRC	-	2,491
Taxation and social security	43,046	36,816
Other creditors	13,153	86,415
Accruals and deferred income	167,892	148,209
	<u>224,091</u>	<u>273,931</u>

14. DEFERRED TAXATION

	2022 £	2021 £
At beginning of year	331,206	(21,845)
Charged to profit or loss	329,705	353,051
At the end of year	<u>660,911</u>	<u>331,206</u>

The provision for deferred taxation is made up as follows:

	2022 £	2021 £
Fixed Asset timing difference	(7,113)	(8,976)
Losses and other deductions	668,024	340,002
Total deferred tax – asset*	<u>660,911</u>	<u>331,206</u>

*Included in Debtors: Amounts falling due within one year – Deferred tax debtor

ICM CAPITAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

15. PENSION COMMITMENTS

The Company operates a defined contribution pension scheme, during the year the company contributed £5,884 (2021: £9,155) to the plan. There was no outstanding balance payable at 31 December 2022 (2021 (nil)).

16. COMMITMENTS UNDER OPERATING LEASES

Rent expense included as part of 'Administrative expenss' in the Statement of Comprehensive Income, amounted to £66,890 for the year ended 31 December 2022 (2021 £162,301).

The Company does not have any future lease commitments.

17. RELATED PARTY TRANSACTIONS

During the year the company entered into transactions, in the ordinary course of business, with other related parties. Transactions entered into, and trading balances outstanding at 31 December, are as follows:

	2022 £	2021 £
Entities with control, joint control or significant influence over the entity		
Amounts due from ICM Holding SARL *	-	28,465
Other related parties		
Amounts due from related parties*	248,878	1,653,191
Sales to related parties	1,036,102	2,595,013
Amounts due to related parties**	(123,918)	(104,944)
Purchases from related parties	55,722	92,656

*The amounts presented above are included as part of 'Other debtors' account in 'Debtors: Amounts falling due within one year' account in the Balance Sheet.

**The amounts presented above are included as part of 'Other creditors' account in 'Creditors: Amounts falling due within one year' account in the Balance Sheet.

Terms and conditions of transactions with related parties

Transactions with related parties are made at normal market prices. Outstanding balances with entities are unsecured, interest free and repayable on demand.

Transactions with key management personnel

Key management personnel includes' those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly. The key personnel of the company are deemed to be the directors, their remuneration is disclosed in note 7.

Transactions with Directors

At the balance sheet date an amount of £138 (2021: £6,801) was due from the directors of the Company. The amount is unsecured and interest free. The amount is repayable on demand.

ICM CAPITAL LIMITED**NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED 31 DECEMBER 2022****18. SHARE CAPITAL**

	2022 £	2021 £
Shares classified as equity		
Allotted, called up and fully paid		
1,730,174 Ordinary shares of \$1 each	<u>1,099,713</u>	<u>1,099,713</u>

19. FINANCIAL INSTRUMENTS

The table below sets out the classification of each class of financial assets and liabilities and their fair values.

Cash at bank and in hand represents cash held on demand and on deposit with financial institutions. Closed positions with clients and brokers are disclosed as loans and debtors.

	2022 £	2021 £
Financial assets		
Financial assets that are debt instruments measured at amortised cost	884,866	2,295,918
Cash and cash equivalents	<u>895,852</u>	<u>811,678</u>
	<u>1,780,718</u>	<u>3,107,596</u>
Financial liabilities		
Financial liabilities measured at amortised cost	<u>(181,045)</u>	<u>(234,624)</u>

The directors believe that the carrying value of the Company's financial instruments approximates to their fair value. All financial assets and liabilities are due to mature within a year.

Financial assets measured at amortised cost comprise of other debtors.

Financial liabilities measured at amortised cost comprise of other creditors and accruals and deferred income.

20. FINANCIAL RISK MANAGEMENT

The Company's activities expose it to a number of financial risks. The use of financial derivatives is governed by the Company's policies approved by the board of directors, which provide written principles of the use of financial derivatives to manage these risks.

Market risk

Market risk is the risk of potential loss due to changes in market prices. The Company takes positions and these give rise to market risk in the event of price movement. Such risks are monitored and controlled by the setting of limits and the use of hedging where appropriate. The Company therefore has exposure to market risk to the extent that it has a residual un-hedged position. No sensitivity analysis has been performed as the net market risk is the sum of unconnected positions across a range of different markets.

ICM CAPITAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

20. FINANCIAL RISK MANAGEMENT (*CONTINUED*)

In the directors' opinion, as a result of hedging undertaken by the Company, market risk is not significant and no sensitivity analysis is presented as the impact of reasonably possible market movements are immaterial.

Interest rate risk

The Company is not exposed to interest rate risk. Interest bearing assets and liabilities are held at a fixed rate to ensure certainty of cash flows.

Foreign currency risk

The Company undertakes transactions denominated in foreign currencies and therefore exposures to exchange rate fluctuations arise. At the year end the carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities are as follows:

	Liabilities £	2022 Assets £	Net £
US Dollar	(37,243)	1,265,662	1,228,419
United Arab Emirates Dirhams	(134,912)	74,725	(60,187)
Euro	-	184,981	184,981
Mauritian Rupee	-	20,328	20,328
Malaysian Ringgit	-	18,074	18,074
Kuwaiti Dinar	-	10,939	10,938
Chinese Yuan	-	7,767	7,767
Great British Pound	(60,046)	929,905	869,859
Jordanian Dinar	-	76	76
Saudi Arabian Riyal	-	6,607	6,607
	Liabilities £	2021 Assets £	Net £
US Dollar	(23,265)	1,428,390	1,405,125
United Arab Emirates Dirhams	(442,888)	48,636	(394,252)
Euro	(14,652)	1,402,006	1,387,354
Mauritian Rupee	-	121,224	121,224
Kuwaiti Dinar	-	9,870	9,870
Chinese Yuan	(17,578)	49,776	32,198
Great British Pound	(53,523)	761,973	708,451
Jordanian Dinar	-	68	68
Saudi Arabian Riyal	-	5,906	5,906

The above analysis shows that the Company has mismatches in its currency assets and liabilities and therefore the movement in exchange rates will have an effect on the profitability of the Company. This risk is constantly monitored and action to reduce the risk is taken when deemed necessary. The directors believe that there is no significant foreign exchange risk exposure.

ICM CAPITAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

20. FINANCIAL RISK MANAGEMENT (CONTINUED)

Sensitivity analysis

The Company's exposure to movements in foreign currency is illustrated in the table below. This analysis assumes all other variables remain constant. 10% is the sensitivity rate used for reporting foreign currency risk internally and represents management's assessment of the reasonable possible change in foreign exchange rates.

The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 10% change in foreign currency rates.

A positive or negative number indicates an increase or decrease in profit or loss where the functional currency weakens 10% against the relevant currency. For a 10% strengthening of the functional currency against the relevant currency there would be an equal and opposite impact on the profit or loss and balance below would be negative.

	Profit or loss	
	£ 2022	£ 2021
US Dollar	122,841	140,512
United Arab Emirates Dirhams	(6,019)	(39,425)
Euro	18,498	138,735
Mauritian Rupee	2,033	12,122
Malaysia Ringett	1,807	-
Kuwaiti Dinar	1,094	987
Chinese Yuan	777	3,219
Jordanian Dinar	8	7
Saudi Arabian Riyal	661	590

Credit risk

The Company's principal financial assets are bank balances and other debtors. The Company has no significant concentration of credit risk.

Liquidity risk

The Company is regulated in the UK by the Financial Conduct Authority. The Company manages the liquidity structure of its assets and liabilities so that cash flows are appropriately balanced to ensure that all funding obligations are met when due. All the financial assets and liabilities at the year-end are repayable on demand.

21. ULTIMATE CONTROLLING PARTY

The ultimate controlling party is the Director Mr. S Abedi who has a 100% shareholding in the company from 30/12/2022.

22. CLIENT MONEY

As 31 December 2022, amounts held by the Company on behalf of clients amounted to £530,791 (31 December 2021: £4,271,210). These amounts are not included in the Company's balance sheet.