Company registration number 06865092 (England and Wales)

HAWKSMOOR GROUP LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

HAWKSMOOR GROUP LIMITED

COMPANY INFORMATION

Directors	S Soar	
	L Dunkley	(Appointed 14 March 2022)
	J Gaisford	(Resigned 15 March 2022)
Company number	06865092	
Registered office	C/O Bishop Fleming 2nd Floor Stratus House Emperor Way Exeter EX1 3QS	
Business address	17 Dix's Field Exeter United Kingdom EX1 1QA	
Auditor	Azets Audit Services 2nd Floor Regis House 45 King William Street London EC4R 9AN	

HAWKSMOOR GROUP LIMITED

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HAWKSMOOR GROUP LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022

The Directors present their Strategic Report of Hawksmoor Group Limited (the "Group", the "Company", or "Hawksmoor") for the year ended 31 December 2022.

Business review
The Group provides discretionary investment management services, management of Multi Asset Funds-of-Funds, and management of risk-based 'Model Portfolios'. The operating subsidiaries of the Group are authorised and regulated by the Financial Conduct Authority (FCA).

2022 has been a challenging year with a war in Ukraine and inflation impacting markets. Against this backdrop we have continued to deliver and service our clients, achieving net inflows on our existing client book. We have also invested significantly in people, systems, and infrastructure to support growth through acquisition. During 2022 we acquired three businesses which provide the same or similar services to those of the Group:

- In March 2022 the business and assets of Wellian Investment Solutions Ltd were acquired from Hurst Point Group Ltd ("Hurst Point"), Hawksmoor's immediate Parent Company;
- In November 2022 GBIM Ltd was acquired; and
- In November 2022 Metis Asset Management Limited was acquired.

As a result, combined with organic growth in our client base, Assets Under Management (AUM) increased from £1.6bn to £3.4bn.

Key performance indicators
The Directors of the Group consider the key financial indicators are AUM, Revenue, and Profit. Revenue in 2022 was £13.9m (2021: £11.1m) and is analysed in note 4 on page 24. Profit before tax delivered in 2022 was £2.4m (2021:-£0.5m).

Other performance indicators considered key are Regulatory factors (complaints, breaches, errors), employee turnover and employee satisfaction, and environmental footprint.

Financial position
At 31 December 2022 the Group held cash of £4.2m (2021: £2.7m), cash generated from operating activities was £1.7m (2021:-£1.7m), and net assets were £6.8m (2021: £4.5m). The Board's policy is to maintain a strong base to sustain the future development of the business and maintain enough capital to comfortably meet the capital requirements prescribed by the FCA.

Outlook
Hawksmoor plan further investment to support our aim of being the wealth manager of choice for clients seeking innovation and integrity through sound investing. This will support us continue to grow our client base and attract acquisition targets within the sector.

Risk management
The Group has a formal risk management system that provides a structured process for identifying, evaluating, reporting and managing risks deemed by the Board as being of significant relevance to the Group in view of its risk profile and risk appetite.

The register of principle risks and uncertainties is regularly reviewed by the Directors and maintained on behalf of the Board by the Head of Regulatory Compliance. Risks and uncertainties faced by the Group include changes in investment markets, maintaining client relationships, changes in legislation and investment performance.

Section 172 report

Section 172 of the Companies Act requires a Director of the Group to act in the way he or she considers, in good faith, would most likely promote the success of the Company for the benefit of its stakeholders as a whole. In doing this section 172 requires a director to have regards, amongst other matters, to:

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

To discharge their Section 172 duties the Directors are committed to effective engagement with these stakeholders, ensuring the interests of each are given equal importance when making key decisions.

Clients

Clients remain as the key driver behind decisions. Delivering expert investment management and communicating with our clients is an imperative for our continued growth.

Regulators

Operating in a regulated sector has resulted in the development of strong processes and procedures. Hawksmoor has a dedicated Risk and Compliance department, who hold a position within the senior leadership team.

Employees

A key part of our long-term strategy for growth is that we maintain our inclusive culture in which staff are engaged, developed and valued. The Board and Senior management receive regular updates in respect of employees and we conduct periodical employee engagement surveys, and operate employee led committees on Mental Health and Wellbeing, and Diversity and Inclusion. Suggestions arising out of these are carefully reviewed and have helped share changes within the organisation.

Suppliers

Hawksmoor aims to conduct itself to the highest standards when dealing with suppliers and aims to pay all invoices promptly. The Board has direct involvement in these matters.

Shareholders

The shareholders, Hurst Point, are involved in the key strategic decisions of the Group. There is representation from Hawksmoor within Hurst Point.

On behalf of the board

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S Soar
Director

Date: 26/4/2023

HAWKSMOOR GROUP LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022

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

Principal activities
The principal activity of the company continued to be that of investment management, both for direct and indirect clients, and fund management.

Review of the business
A review of the business and likely future developments in the business are included in the Strategic Report.

Results and dividends
The results for the year are set out on page 9.

No dividend was issued during the period.

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

S Soar	
L Dunkley	(Appointed 14 March 2022)
J Gaisford	(Resigned 15 March 2022)

Qualifying third party indemnity provisions
The company has made qualifying third party indemnity provisions for the benefit of its directors during the year. These provisions remain in force at the reporting date.

Auditor
Azets Audit Services were appointed as auditor to the company and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a General Meeting.

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

Statement of directors' responsibilities
The Directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the group financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the United Kingdom and have also chosen to prepare the parent company financial statements in accordance with Financial Reporting Standard (FRS) 101 'Reduced Disclosure Framework'. 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 the group financial statements, International Accounting Standard 1 requires that Directors:

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

In preparing the parent company financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether FRS 101 Reduced Disclosure Framework has 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 enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of disclosure to auditor
Each director in office at the date of approval of this annual report confirms that:

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

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

Strategic report
The following matters have been covered in the strategic report:

- Business review
- Principal risks and uncertainties
- Key performance indicators

HAWKSMOOR GROUP LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

On behalf of the board

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S Soar

Director

Date: 20/4/2023

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF HAWKSMOOR GROUP LIMITED

Opinion

We have audited the financial statements of Hawksmoor Group Limited (the 'Parent Company') and its subsidiaries (the 'Group') for the year ended 31 December 2022 which comprise the Group statement of comprehensive income, the Group and Parent Company statement of financial position, the Group and Parent Company statement of changes in equity, the Group statement of cash flows and the Group and Parent Company notes to the financial statements, including significant accounting policies.

The financial reporting framework that has been applied in the preparation of the Group financial statements is applicable law and UK adopted international accounting standards. The financial reporting framework that has been applied in the preparation of the Parent Company financial statements is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 Reduced Disclosure Framework (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 December 2022 and of the Group's profit for the year then ended;
- the Group financial statements have been properly prepared in accordance with UK adopted international accounting standards and the Parent Company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The Directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF HAWKSMOOR GROUP LIMITED

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and parent company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

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

Responsibilities of Directors

As explained more fully in the Directors' responsibilities statement, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the Directors are responsible for assessing the Parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Parent Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

Extent to which the audit was considered capable of detecting irregularities, including fraud
Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the company through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

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 of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

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

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

Azets Audit Services Limited

Robin Haslam (Senior Statutory Auditor)
For and on behalf of Azets Audit Services

Date: 20 April 2023

Chartered Accountants
Statutory Auditor

2nd Floor
Regis House
45 King William Street
London
EC4R 9AN

HAWKSMOOR GROUP LIMITED

GROUP STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	2022 £	2021 £
Revenue	4	13,885,901	11,086,437
Cost of sales		(1,458,524)	(1,304,280)
Gross profit		12,427,377	9,782,157
Administrative expenses		(10,100,650)	(8,361,706)
Exceptional items	5	-	(1,855,894)
Operating profit/(loss)	6	2,326,727	(435,443)
Investment revenues		6,478	1,687
Finance costs	10	(20,773)	(16,757)
Profit/(loss) before taxation		2,312,432	(450,513)
Income tax income	11	50,381	-
Profit/(loss) and total comprehensive income for the year		2,362,813	(450,513)

Profit/(loss) for the financial year is all attributable to the owners of the parent company.

Total comprehensive income for the year is all attributable to the owners of the parent company.

HAWKSMOOR GROUP LIMITED

GROUP STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2022

	Notes	2022 £	2021 £
Non-current assets			
Goodwill	12	-	2,636
Intangible assets	12	3,302,830	399,236
Property, plant and equipment	13	475,514	547,141
		3,778,344	949,013
Current assets			
Deferred tax asset	19	2,191	2,191
Trade and other receivables	15	3,987,594	4,179,377
Cash and cash equivalents		4,238,665	2,744,509
		8,228,450	6,926,077
Total assets		12,006,794	7,875,090
Current liabilities			
Trade and other payables	17	4,853,486	3,087,487
Lease liabilities	18	76,644	152,814
		4,930,130	3,240,301
Net current assets		3,298,320	3,685,776
Non-current liabilities			
Lease liabilities	18	222,206	144,088
Deferred tax liabilities	19	26,979	26,955
		249,185	171,043
Net assets		6,827,479	4,463,746
Equity			
Called up share capital	22	1,062,943	1,062,943
Share premium account	23	1,703,965	1,703,965
Retained earnings		4,060,571	1,696,838
Total equity		6,827,479	4,463,746

HAWKSMOOR GROUP LIMITED

GROUP STATEMENT OF FINANCIAL POSITION (CONTINUED)

AS AT 31 DECEMBER 2022

The financial statements were approved by the board of directors and authorised for issue on 20 April 2023 and are signed on its behalf by:

....
S Soar
Director

HAWKSMOOR GROUP LIMITED

GROUP STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2022

	Share capital	Share premium account	Retained earnings	Total
	£	£	£	£
Balance at 1 January 2021	1,062,943	810,855	2,148,271	4,022,069
Year ended 31 December 2021:				
Loss and total comprehensive income for the year	-	-	(450,513)	(450,513)
Transactions with owners in their capacity as owners:				
Other movements	-	893,110	-	893,110
Balance at 31 December 2021	1,062,943	1,703,965	1,697,758	4,464,666
Year ended 31 December 2022:				
Profit and total comprehensive income for the year	-	-	2,362,813	2,362,813
Balance at 31 December 2022	1,062,943	1,703,965	4,060,571	6,827,479

HAWKSMOOR GROUP LIMITED

GROUP STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	£	2022 £	£	2021 £
Operating activities					
Profit/ (Loss) before tax			2,312,432		(450,513)
Adjusted for non-cash items:					
Depreciation charge	6		295,761		256,185
Amortisation of intangible assets	6		95,085		77,391
Finance income			(6,478)		(1,687)
Finance charges	10		20,733		16,757
			2,717,533		(101,867)
Increase/(decrease) in trade and other receivables	15		(754,359)		(2,099,433)
Increase/(decrease) in trade and other payables	17		(303,089)		619,066
Cash generated from operations			1,660,085		(1,582,234)
Income tax refunded/(paid)			48,874		(99,590)
Net cash inflow/(outflow) from operating activities			1,708,959		(1,681,824)
Investing activities					
Purchase of property, plant and equipment	13	(137,713)		(192,911)	
Payment for intangibles	12	(1,064,406)		-	
Purchase of subsidiaries		(673,663)		-	
Interest received		6,478		1,687	
Net cash used in investing activities			(1,869,304)		(191,224)
Financing activities					
Borrowings from group undertakings		1,761,164		-	
Movement in lease liabilities	18	(85,890)		(95,429)	
Interest paid		(20,773)		(16,757)	
Net cash generated from/(used in) financing activities			1,654,501		(112,186)
Net increase/(decrease) in cash and cash equivalents			1,494,156		(1,985,234)
Cash and cash equivalents at beginning of year			2,744,509		4,729,743
Effect of foreign exchange rates			-		-
Cash and cash equivalents at end of year			4,238,665		2,744,509

HAWKSMOOR GROUP LIMITED

NOTE TO THE GROUP STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2022

Changes in liabilities arising from financing activities

The table below details changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's Consolidated Statement of Cash Flows as cash flows from financing activities.

	At 1 January 2022	Financing cash flows	Upon acquisition of GBIM Limited	At 31 December 2022
	£	£	£	£
Leases	296,902	(85,890)	87,838	298,850

	At 1 January 2021	Financing cash flows	Other movements	At 31 December 2021
	£	£	£	£
Leases	392,331	(95,429)	-	296,902

1 Accounting policies

Company information

Hawksmoor Group Limited (the "Company") is a private company limited by shares incorporated in England and Wales. The registered office is C/O Bishop Fleming, 2nd Floor, Stratus House, Emperor Way, Exeter, EX1 3QS. The Company's principal activities and nature of its operations are disclosed in the Directors' Report.

1.1 Accounting convention

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

The financial statements are prepared in sterling, which is the functional currency of the Group. Monetary amounts in these financial statements are rounded to the nearest £1.

The financial statements have been prepared under the historical cost convention.

The principal accounting policies adopted are set out below.

1.2 Basis of consolidation

The consolidated group financial statements consist of the financial statements of the parent company Hawksmoor Group Ltd together with all entities controlled by the parent company (its subsidiaries). Control is achieved when the Company has power over the investee; is exposed, or has rights, to variable returns from its involvement with the investee; and has the ability to use its power to affect its returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above. Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, the results of subsidiaries acquired or disposed of during the year are included in the consolidated statement of comprehensive income from the date the Company gains control until the date when the Company ceases to control the subsidiary.

All financial statements are made up to 31 December 2022. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the group.

All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between group companies are eliminated on consolidation.

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

1 Accounting policies **(Continued)**

1.3 Going concern

The Directors evaluate at each period end whether there are conditions or events, considered in the aggregate, that raise a material uncertainty about the Group's ability to continue as a going concem for a period of at least one year after the date that the financial statements are issued. The Directors' evaluation is based on relevant conditions and events that are known and reasonably knowable at the date that the financial statements are issued.

The Directors have reviewed projections for the period to 30 April 2024 using assumptions which the Directors consider to be appropriate to the current financial position of the Group with regard to its revenue and cost base, ensuring that the Group can continue to meet its expenses and service its debt obligations. These projections show that the Group should be able to operate within its current level of resources for a period of at least 12 months from the from the date of approval of the financial statements.

The Group's going concern assumption is based on the outcome of a variety of scenarios that demonstrate the Group's ability to withstand further market disruption. The Directors have a reasonable expectation that the Group has adequate capital resources to continue in operational existence for the foreseeable future, and, therefore, continue to adopt the going concern basis in the preparation of these financial statements.

In assessing the Group's viability, the Directors have assumed that there is no material improvement in market conditions and that market disruption does not improve significantly over this period. The Directors have then stress tested these assumptions, this stress testing showed that if a 10% reduction in revenue occurred across the Group for the whole of the forecast period, the Group would be in breach of its covenants by the end of April 2024. Given that this scenario occurring in isolation is remote and any significant reduction in revenue would be partly mitigated by a reduction in administration costs, the Directors are comfortable that the likelihood of the Group being unable to meet its financial obligations as they fall due for the foreseeable future is extremely remote.

1.4 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the group and the turnover can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenune is recognised:

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably; and
- it is probable that the group will receive the consideration due under the contract.

1 Accounting policies **(Continued)**

1.5 Goodwill

Goodwill represents the excess of the cost of acquisition of unincorporated businesses over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less amortisation and impairment losses.

The gain on a bargain purchase is recognised in profit or loss in the period of the acquisition.

Goodwill is reviewed for impairment at the end of the first full financial year following each acquisition and subsequently annually or as necessary if circumstances emerge that indicate that the carrying value may not be recoverable.

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

1.6 Intangible assets other than goodwill

Other than goodwill, intangible assets with finite useful lives that are acquired externally are carried at cost less accumulated amortisation and impairment losses.

Expenditure on acquired funds under management, which may be recognised either by way of a business combination or an asset purchase, are capitalised in the period in which the acquisition is completed.

Where an intangible asset is acquired other than in a business combination, that is, an asset purchase, the purchase price is allocated pro-rata to the fair values of the intangible acquired and the other net assets or liabilities. The purchase price usually comprises an initial cash payment together with deferred contingent consideration payable dependent upon actual revenues achieved, discounted to present value.

Client portfolios and adviser relationships acquired in a business combination are valued at cost, on initial recognition, which is the fair value at the date of acquisition.

Funds under management are amortised over their expected useful lives of 10 years, on a straight line basis, from the month of acquisition.

The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

1.7 Property, plant and equipment

Property, plant and equipment are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Leasehold land and buildings	over the life of the lease
Fixtures and fittings	5 years straight line
Office equipment	5 years straight line
Computers	3-5 years straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the income statement.

1 Accounting policies **(Continued)**

1.8 Impairment of tangible and intangible assets

At each reporting end date, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

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

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

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

1.9 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.

1.10 Financial assets

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

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

Trade and other receivables

Trade and other receivables that have fixed or determinable payments that are not quoted in an active market are measured at amortised cost using the effective interest method, less any impairment.

Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial. The effective interest method of calculating the amortised cost of a debt instrument and of allocating the interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the debt instrument to the net carrying amount on initial recognition.

1 Accounting policies **(Continued)**

Impairment of financial assets

Financial assets, other than those measured at fair value through profit or loss, are adjusted at each reporting period date under IFRS 9's 'expected credit loss (ECL) model'.

The Group considers a broad range of information when assessing credit risk and measuring expected credit losses, including past events, current conditions, and reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.

In applying this forward-looking approach, a distinction is made between:

- financial instruments that have not deteriorated significantly in credit quality since initial recognition or that have low credit risk ('Stage 1'); and
- financial instruments that have deteriorated significantly in credit quality since initial recognition and whose credit risk is not low ('Stage 2').

'Stage 3' would cover financial assets that have objective evidence of impairment at the reporting date.

'12-month expected credit losses' are recognised for the first category while 'lifetime expected credit losses' are recognised for the second category. Measurement of the expected credit losses is determined by a probability-weighted estimate of credit losses over the expected life of the financial instrument.

Loss allowances for trade receivables and contract assets are measured using IFRS 9 simplified model being an amount equal to lifetime ECL.

Derecognition of financial assets

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

1.11 Financial liabilities

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

Trade and other payables

Trade and other payables are initially measured at fair value, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability to the net carrying amount on initial recognition.

Derecognition of financial liabilities

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

1.12 Equity instruments

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

Equity comprises the following reserves:

- 'Share capital' represents the nominal value of equity shares
- 'Share premium account' represents the excess over nominal value of the fair value of consideration received for equity shares, net of expenses of the share issue
- 'Retained earnings' represents cumulative profits and losses, net of dividends and distributions to shareholders.

1 Accounting policies **(Continued)**

1.13 Taxation

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

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the Group has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.14 Provisions

Provisions are recognised when the Group has a legal or constructive present obligation as a result of a past event and it is probable that the Group will be required to settle that obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

1.15 Employee benefits

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

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

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

1 Accounting policies **(Continued)**

1.16 Retirement benefits

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 profit or loss 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.

1.17 Share-based payments

Where share options are awarded to employees, the fair value of the options at the date of grant is charged to the income statement over the vesting period. Non-market vesting conditions are taken into account by adjusting the number of equity instruments expected to vest at each statement of financial position date so that, ultimately, the cumulative amount recognised over the vesting period is based on the number of options that eventually vest. Market vesting conditions are factored into the fair value of the options granted. The cumulative expense is not adjusted for failure to achieve a market vesting condition.

The fair value of the award also takes into account non-vesting conditions. These are either factors beyond the control of either party or factors which are within the control of one or other of the parties.

Where the terms and conditions of options are modified before they vest, the increase in the fair value of the options, measured immediately before and after the modification, is also charged to Income Statement over the remaining vesting period.

Where equity instruments are granted to persons other than employees, the Income Statement is charged with fair value of goods and services received.

1.18 Leases

All leases are accounted for by recognising a right-of-use asset and a lease liability except for:

- Leases of low value assets; and
- Leases with a duration of 12 months or less

Lease liabilities are measured at the present value of the contractual payments due to the lessor over the lease term, with the discount rate determined by reference to the rate inherent in the lease unless (as is typically the case) this is not readily determinable, in which case the Group's incremental borrowing rate on commencement of the lease is used. Variable lease payments are only included in the measurement of the lease liability if they depend on an index or rate. In such cases, the initial measurement of the lease liability assumes the variable element will remain unchanged throughout the lease term. Other variable lease payments are expensed in the period to which they relate.

On initial recognition, the carrying value of the lease liability also includes:

- amounts expected to be payable under any residual value guarantee;
- the exercise price of any purchase option granted in favour of the Group if it is reasonably certain to assess that option;
- any penalties payable for terminating the lease, if the term of the lease has been estimated on the basis of termination option being exercised

Right-of-Use assets are initially measured at the amount of the lease liability, reduced for any lease incentives received, and increased for:

- lease payments made at or before commencement of the lease;
- initial direct costs incurred; and
- the amount of any provision recognised where the Group is contractually required to dismantle, remove or restore the leased asset.

1 Accounting policies **(Continued)**

Subsequent to initial measurement lease liabilities increase as a result of interest charged at a constant rate on the balance outstanding and are reduced for lease payments made. Right-of-use assets are amortised on a straight-line basis over the remaining term of the lease or over the remaining economic life of the asset if, rarely, this is judged to be shorter than the lease term.

When the Group revises its estimate of the term of any lease (because, for example, it re-assess the profitability of a lessee extension or termination option being exercised), it adjusts the carrying amount of the lease liability to reflect the payments to make over the revised term, which are discounted using a revised discount rate. The carrying value of lease liabilities is similarly revised when the variable element of future lease payments dependent on a rate or index is revised, except the discount rate remains unchanged. In both cases an equivalent adjustment is made to the carrying value of the right-of-use asset, with the revised carrying amount being amortised over the remaining (revised) lease term. If they carrying amount of the right-of-use asset is adjusted to zero, any further reduction is recognised in profit or loss.

Rentals payable under short term or low value leases, less any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed. In the prior period, rentals payable under operating leases, less any lease incentives received, are charged to income on a straight-line basis over the term of the relevant lease except where another more systematic basis is more representative of the time periods in which economic benefits from the lease asset are consumed.

1.19 Foreign exchange

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 profit or loss 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 profit or loss within 'other operating income'.

1.20 Exceptional items

Exceptional items are shown separately in the financial statements where it is necessary to do so to provide further understanding of the financial performance of the Group. They are material items of income or expense that have been shown separately due to the significance of their nature or amount.

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

At the authorisation of these financial statements, the Group has not applied the following new and revised standards that have been issued but are not effective yet:

	Effective date – period beginning on or after
IFRS 17 'Insurance Contracts' and subsequent withdrawal of IFRS 4 'Insurance Contracts'	1 January 2023
Amendments to IFRS 17	1 January 2023
Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2)	1 January 2023
Definition of Accounting Estimate (Amendments to IAS 8)	1 January 2023
Deferred Tax Related to Assets and Liabilities Arising from a Single Transaction – Amendments to IAS 12 Income Taxes	1 January 2023
Classification of liabilities as current or non-current (Amendments to IAS 1)	1 January 2024
Lease Liability in a Sale and Leaseback (Amendments to IFRS 16)	1 January 2024
Non-current Liabilities with Covenants (Amendments to IAS 1)	1 January 2024

3 Critical accounting estimates and judgements

In the application of the Group's accounting policies, the Directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

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

3 Critical accounting estimates and judgements (Continued)

Key sources of estimation uncertainty

New Business Awards

The Group awarded New Business Awards to incentivise new Investment Managers to bring their business with them. Up to 50% of the award value can be taken in cash, payable by way of bonus in 3 equal instalments one, two and three years after the start of the Investment Manager's employment.

4 Revenue

	2022	2021
	£	£
Revenue analysed by class of business		
Private client investment management	9,408,329	8,136,564
Fund management	3,724,310	2,583,516
Platform portfolio management	753,262	366,357
	13,885,901	11,086,437

	2022	2021
	£	£
Revenue analysed by geographical market		
United Kingdom	13,885,901	11,086,437

5 Exceptional items

During the prior year, the group incurred costs relating to the sale of the group to Hurst Group Limited. There were no exceptional items in 2022.

6 Operating profit/(loss)

	2022	2021
Operating profit/(loss) for the year is stated after charging/(crediting):	£	£
Exchange losses	3,221	659
Depreciation of property, plant and equipment	295,761	256,185
Amortisation of intangible assets	95,085	77,391

7 Auditor's remuneration

Fees payable to the Company's auditor and associates:	2022 £	2021 £
For audit services		
Audit of the financial statements of the Group and Company	5,450	11,418
Audit of the financial statements of the Company's subsidiaries	36,665	16,000
	42,115	27,418
For other services		
Tax services	6,600	3,000
Other services	9,410	6,000
Total non-audit fees	16,010	9,000

8 Employees

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

	2022 Number	2021 Number
	87	65

Their aggregate remuneration comprised:

	2022 £	2021 £
Wages and salaries	6,684,437	5,731,647
Social security costs	681,959	463,848
Pension costs	251,212	74,178
	7,617,608	6,269,673

9 Directors' remuneration

	2022 £	2021 £
Remuneration for qualifying services	436,469	774,062
Company pension contributions to defined contribution schemes	3,216	2,638
	439,685	776,700

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 2 (2021: 2).

9 Directors' remuneration (Continued)

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

	2022 £	2021 £
Remuneration for qualifying services	268,398	611,562
Company pension contributions to defined contribution schemes	1,651	1,319

10 Finance costs

	2022 £	2021 £
Interest on lease liabilities	20,773	16,757

11 Income tax expense

	2022 £	2021 £
Current tax		
UK corporation tax on profits for the current period	(50,381)	-

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

	2022 £	2021 £
Profit/(loss) before taxation	2,312,432	(450,513)
Expected tax charge/(credit) based on a corporation tax rate of 19.00% (2021: 19.00%)	439,362	(85,597)
Unutilised tax losses carried forward	-	85,597
Group relief	(493,075)	-
Taxation credit for the year	(53,713)	-
Tax charged in the financial statements	(50,381)	-
Please review figures in the database. The tax charge does not reconcile by:	**(3,332)**	-

12 Intangible assets

	Goodwill	Acquired funds under management	Total
	£	£	£
Cost			
At 1 January 2021	202,818	571,089	773,907
Additions	-	381,700	381,700
At 31 December 2021	202,818	952,789	1,155,607
Additions	-	2,298,897	2,298,897
Other movements - transfer from group	-	697,146	697,146
At 31 December 2022	202,818	3,948,832	4,151,650
Amortisation and impairment			
At 1 January 2021	179,900	496,444	676,344
Charge for the year	20,282	57,109	77,391
At 31 December 2021	200,182	553,553	753,735
Charge for the year	2,636	92,449	95,085
At 31 December 2022	202,818	646,002	848,820
Carrying amount			
At 31 December 2022	-	3,302,830	3,302,830
At 31 December 2021	2,636	399,236	401,872
At 31 December 2020	22,918	74,645	97,563

Acquired funds under management will be amortised over 10 years.

The amortisation and impairment charges are included in administrative expenses in the Group Statement of Comprehensive Income.

Goodwill is entirely attributable to the sole cash generating unit ('CGU') of investment and fund management.

An impairment test of goodwill is a comparison of the carrying value of the cash generating unit to which it is attributable to its recoverable amount. Where it is higher than the recoverable amount, an impairment results, firstly recognised against goodwill. Any amortisation and impairment charges are included in operating expenses in the group statement of comprehensive income.

13 Property, plant and equipment

	Leasehold land and buildings	Fixtures and fittings	Office equipment	Computers	Total
	£	£	£	£	£
Cost					
At 1 January 2021	693,798	21,315	302,272	226,840	1,244,225
Additions	62,683	251	49,638	143,022	255,594
At 31 December 2021	756,481	21,566	351,910	369,862	1,499,819
Additions	100,645	643	3,206	33,218	137,712
Business combinations	74,799	503	11,120		86,422
At 31 December 2022	931,925	22,712	366,236	403,080	1,723,953
Accumulated depreciation					
At 1 January 2021	328,445	17,086	194,909	156,053	696,493
Charge for the year	148,709	1,805	45,549	60,122	256,185
At 31 December 2021	477,154	18,891	240,458	216,175	952,678
Charge for the year	172,846	1,411	43,745	77,759	295,761
At 31 December 2022	650,000	20,302	284,203	293,934	1,248,439
Carrying amount					
At 31 December 2022	281,925	2,410	82,033	109,146	475,514
At 31 December 2021	279,327	2,675	111,452	153,687	547,141
At 31 December 2020	365,353	4,229	107,363	70,787	547,732

Depreciation charges are included within 'Administrative Expenses' in the Consolidated Statement of Comprehensive Income.

Property, plant and equipment includes Right-of-Use assets, as follows:

Right-of-use assets	**2022**	**2021**
	£	£
Net values		
Property	281,952	279,327
Depreciation charge for the year		
Property	172,846	148,709

14 Subsidiaries

Details of the Company's subsidiaries at 31 December 2022 are as follows:

Name of undertaking	Address	Principal activities	Class of shares held	% Held Direct	% Held Voting
Hawksmoor Investment Management Limited	UK (1)	Investment management	Ordinary	100.00	100.00
Hawksmoor Fund Managers Limited	UK (1)	Dormant	Ordinary	100.00	100.00
GBIM Limited	UK (2)	Investment management	Ordinary	100.00	100.00
Metis Asset Management Ltd	UK (3)	Investment management	Ordinary	100.00	100.00

Registered office addresses (all UK unless otherwise indicated):

1 2nd Floor Stratus House, Emperor Way, Exeter Business Park, Exeter, EX1 3QS
2 37 Brown Street, Salisbury, Wiltshire, SP1 2AS
3 Brooklands Barn, Rocky Lane, Haywards Heath, RH16 4RR

The aggregate capital and reserves and the result for the year of the subsidiaries noted above was as follows:

Name of undertaking	Capital and Reserves £	Profit/(Loss) £
Hawksmoor Investment Management Limited	6,389,182	2,478,371
GBIM Limited	3,727,527	93,743
Metis Asset Management Ltd	804,063	422,320

15 Trade and other receivables

	2022 £	2021 £
Trade receivables	1,242,320	33,416
Amounts owed by fellow group undertakings	-	1,482,053
Other receivables	121,910	62,758
Prepayments	2,623,364	2,601,150
	3,987,594	4,179,377

Trade receivables disclosed above are classified and measured at amortised cost.

The Directors consider that the carrying amount of trade and other receivables does not differ from their fair value.

There is no material expected credit loss in respect of trade receivables, contract assets or amounts due from the Parent Company. No significant receivable balances are impaired at the reporting date. The Group's experience of default rates of trade receivables is that default is very rare. In respect of contract assets the risk of default is also very low due to the fact that the amounts are due from financial institutions.

The maximum exposure to credit risk at the reporting date is the carrying value of the receivables set out above. The Group does not hold any collateral as security.

16 Credit, liquidity and market risks

The Group's activities expose it to certain financial risks: market risk, credit risk and liquidity risk, as explained below. The overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance. Risk management is carried out by the Directors, who identify and evaluate financial risks in close co-operation with key staff.

Credit risk
Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers.

The carrying amounts of financial assets held at amortised cost represent the maximum credit exposure. The Group monitors defaults of customers and incorporates this information into credit risk controls. The Group is not exposed to any significant credit risk in relation to any single counterparty or Group or counterparties having similar characteristics.

The majority of the Group's cash balance is held with Arbuthnot Latham, a private bank. The Directors consider the Group's financial assets to have a low credit risk at the reporting date.

Liquidity risk
Liquidity risk is the risk that the Group might be unable to meet its obligations as they fall due. The Group manages its liquidity by forecasting cash inflows and outflows on a daily basis. The Group's objective when managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

Market risk
Market risk is the risk of loss that may arise from changes in market factors such as competitor pricing and interest rates. The direct risk is considered to be minimal, although there is an indirect risk to fee income based on client investment values which can be affected by changes in interest rate.

17 Trade and other payables

	2022 £	2021 £
Trade payables	366,327	163,396
Amounts owed to fellow group undertakings	247,258	-
Accruals	1,757,908	2,281,321
Social security and other taxation	1,101,389	436,742
Other payables	1,380,604	206,028
	4,853,486	3,087,487

18 Lease liabilities

Lease liabilities are classified based on the amounts that are expected to be settled within the next 12 months and after more than 12 months from the reporting date, as follows:

	2022	2021
	£	£
Current liabilities	76,644	152,814
Non-current liabilities	222,206	144,088
	298,850	296,902

	2022	2021
Amounts recognised in profit or loss include the following:	£	£
Interest on lease liabilities	20,773	16,757

19 Deferred taxation

	2022	2021
	£	£
Deferred tax liabilities	26,979	26,955
Deferred tax assets	(2,191)	(2,191)
	24,788	24,764

Deferred tax liabilities relate to accelerated capital allowances.

20 Fair value of financial liabilities

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

21 Retirement benefit schemes

	2022	2021
Defined contribution schemes	£	£
Charge to profit or loss in respect of defined contribution schemes	251,212	74,178

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

At the reporting date, a total of £30,924 (2021: £Nil) was payable to the scheme. Such amount is included within other payables.

22 Share capital

	2022	2021	2022	2021
Ordinary share capital	**Number**	**Number**	**£**	**£**
Issued and fully paid				
Ordinary shares of 10p each	8,516,818	8,516,818	851,682	851,682
A Ordinary shares of 10p each	1,470,000	1,470,000	147,000	147,000
B Ordinary shares of 10p each	37,962	37,962	3,796	3,796
C Ordinary shares of 10p each	604,643	604,643	60,465	60,465
	10,629,423	10,629,423	1,062,943	1,062,943

The holders of Ordinary & A Ordinary shares shall rank pan passu with regard to entitlement to dividend but the holders of B & C Ordinary shares shall not be entitled to any dividend.

The holders of Ordinary & A shares shall each be equally entitled to receive notice of, attend and vote at any general meeting of the Group. The holders of the B & C Ordinary shares shall not be entitled to receive notice of, attend or vote at any general meeting of the Group.

All shares are presented as equity share capital.

23 Share premium account

	2022	2021
	£	£
At the beginning of the year	1,703,965	810,855
Contribution	-	893,110
At the end of the year	1,703,965	1,703,965

24 Related party transactions

Remuneration of key management personnel

All directors who have authority and responsibility for planning, directing and controlling the activities of the Company are considered to be key management personnel.

	2022	2021
	£	£
Short-term employee benefits	745,629	1,082,721

25 Controlling party

The immediate parent company of Hawksmoor Group Limited is Hurst Point Group Limited (registered in Jersey). Its registered office is 44 Esplanade, St Helier, JE4 9WG, Jersey.

The smallest group of undertakings for which consolidated group financial statements incorporating Hawksmoor Group Limited are prepared is Hurst Point Micdo Ltd (registered in Jersey).

The largest group of undertakings for which group consolidated financial statements are drawn up is Hurst Point Topco Ltd. These financial statements are not available for public use. Its registered office is 44 Esplanade, St Helier, JE4 9WG, Jersey.

The Company's ultimate parent undertaking is Carlyle Global Financial Services Partners III, L.P. (a Cayman Islands registered partnership).

HAWKSMOOR GROUP LIMITED

COMPANY STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2022

	Notes	£	2022 £	£	2021 £
Non-current assets					
Investments	**28**		7,235,123		2,642,786
Current assets					
Deferred tax asset	**29**	2,191		925,094	
Current liabilities	**30**	(4,044,229)		(374,795)	
Net current (liabilities)/assets			(4,042,038)		550,299
Total assets less current liabilities			3,193,085		3,193,085
Equity					
Called up share capital	**32**		1,062,943		1,062,943
Share premium account	**23**		1,703,965		1,703,965
Retained earnings			426,177		426,177
Total equity			3,193,085		3,193,085

As permitted by s408 Companies Act 2006, the company has not presented its own income statement and related notes. The Company's loss for the year was £Nil (2021: £370,432).

The financial statements were approved by the board of directors and authorised for issue on 20 April 2023 and are signed on its behalf by:

....
S Soar
Director

Company Registration No. 06865092

HAWKSMOOR GROUP LIMITED

COMPANY STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2022

	Share capital	Share premium account	Retained earnings	Total
	£	£	£	£
Balance at 1 January 2021	1,062,943	810,855	796,609	2,670,407
Year ended 31 December 2021:				
Loss and total comprehensive income for the year	-	-	(370,432)	(370,432)
Other movements	-	893,110	-	893,110
Balance at 31 December 2021	1,062,943	1,703,965	426,177	3,193,085
Year ended 31 December 2022:				
Balance at 31 December 2022	1,062,943	1,703,965	426,177	3,193,085

26 Accounting policies

Company information

Hawksmoor Group Limited is a private company limited by shares incorporated in England and Wales. The registered office is C/O Bishop Fleming, 2nd Floor, Stratus House, Emperor Way, Exeter, EX1 3QS. The company's principal activities and nature of its operations are disclosed in the directors' report.

26.1 Accounting convention

The financial statements have been prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101) and in accordance with applicable accounting standards.

The financial statements are prepared in sterling, which is the functional currency of the Company. Monetary amounts in these financial statements are rounded to the nearest £1.

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

As permitted by FRS 101, the Company has taken advantage of the following disclosure exemptions from the requirements of IFRS.

- inclusion of an explicit and unreserved statement of compliance with IFRS;
- presentation of a statement of cash flows and related notes;
- disclosure of the objectives, policies and processes for managing capital;
- disclosure of key management personnel compensation;
- disclosure of the categories of financial instrument and the nature and extent of risks arising on these financial instruments;
- the effect of financial instruments on the statement of comprehensive income;
- comparative period reconciliations for the number of shares outstanding and the carrying amounts of property, plant and equipment, intangible assets, investment property and biological assets;
- disclosure of the future impact of new International Financial Reporting Standards in issue but not yet effective at the reporting date;
- a reconciliation of the number and weighted average exercise prices of share options, how the fair value of share-based payments was determined and their effect on profit or loss and the financial position;
- comparative narrative information;
- for financial instruments, investment property and biological assets measured at fair value and within the scope of IFRS 13, the valuation techniques and inputs used to measure fair value, the effect of fair value measurements with significant unobservable inputs on the result for the period and the impact of credit risk on the fair value; and
- related party disclosures for transactions with the Parent or wholly owned members of the Group.

Where required, equivalent disclosures are given in the Group consolidated financial statements.

26.2 Fixed asset investments

Fixed asset investments are accounted for at initial cost including discounted deferred contingent consideration, less accumulated impairment losses.

27 Employees

Other than the 2 directors (2021: 2), whom were not remunerated by the company for their services, the company had no employees during the year (2021: nil)

28 Investments

	Non-current 2022 £	Non-current 2021 £
Investments in subsidiaries	7,235,123	2,642,786

Movements in non-current investments

	Shares in subsidiaries £
Cost or valuation	
At 1 January 2022	2,642,786
Additions	4,592,337
At 31 December 2022	7,235,123
Carrying amount	
At 31 December 2022	7,235,123
At 31 December 2021	2,642,786

During the year, the immediate parent company, Hurst Point Group Limited, transferred two newly acquired subsidiaries: GBIM Limited and Metis Asset Management Ltd, to the company.

29 Trade and other receivables

	2022 £	2021 £
Amount owed by parent undertaking	-	922,903
Deferred tax asset	2,191	2,191
	2,191	925,094

In respect of amounts due from the Parent Company, the Directors have made an assessment of expected credit losses in accordance with IFRS 9 and no impairment exists at the reporting date.

30 Liabilities

	Notes	2022 £	2021 £
Trade and other payables	31	4,044,229	374,795

31 Trade and other payables

	2022	2021
	£	£
Amount owed to parent undertaking	3,669,434	-
Amounts owed to fellow group undertakings	374,795	374,795
	4,044,229	374,795

32 Share capital

Refer to note 22 of the Group financial statements.