

ANNUAL REPORT 2021



warwyck

PHOENIX SECURITIES LTD

Warwyck Phoenix Securities Ltd

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Warwyck Phoenix Securities Ltd

Corporate data

		Date appointed	Date resigned
Directors	:		
	Desai Rahul Girish	27 November 2017	20 January 2022
	Hasan Miyan Roomiza	11 September 2019	-
	Muniah Vashish	08 November 2019	27 July 2021
	Devika Bhuwanee	28 March 2022	-
Registered office	:		
	Warwyck House		
	Nalletamby Road		
	Phoenix 73538		
	Republic of Mauritius		
Administrator and Secretary	:		
	Anex Management Services Ltd		
	8 th Floor, Ebene Tower		
	52 Cybercity		
	Ebene 72201		
	Republic of Mauritius		
Auditors	:		
	Grant Thornton		
	9 th Floor, Ebene Tower		
	52 Cybercity		
	Ebene 72201		
	Republic of Mauritius		
Bankers	:		
	Warwyck Private Bank Ltd		
	Warwyck House		
	Nalletamby Road		
	Phoenix 73538		
	Republic of Mauritius		
	Saxo Bank A/S		
	Philip Heymans Allé 15		
	DK 2900 Hellerup		
	Denmark		
	BCP Bank (Mauritius) Ltd		
	Level 9, Maeva Tower		
	Corner Bank Street & Silicon Avenue		
	Ebene 72201		
	Republic of Mauritius		

Warwyck Phoenix Securities Ltd

Annual report

The directors are pleased to present their report, together with the audited financial statements of Warwyck Phoenix Securities Ltd, the “Company”, for the year ended 31 December 2021.

Incorporation

The Company was incorporated in the Republic of Mauritius on 22 January 2015 under the Mauritius Companies Act 2001 as a private company with liability limited by shares.

Principal activity

The principal activity of the Company is to serve end customers by offering trading services in various instruments.

Results and dividends

The results for the year are shown on page 23.

No dividend was declared and paid during the year under review (2020: USD Nil).

Directors

The present membership of the Board is set out on page 2.

Directors’ responsibilities in respect of the financial statements

Company law requires the directors to prepare financial statements for each financial year, which present fairly the financial position, financial performance and cash flows of the Company. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether International Financial Reporting Standards (“IFRS”) 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 have confirmed that they have complied with the above requirements in preparing the financial statements.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements are in accordance with International Financial Reporting Standards and comply with the requirements of the Mauritius Companies Act 2001. 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.

Warwyck Phoenix Securities Ltd

Annual report (Contd)

Contracts of significance

There were no contracts of significance to which the Company was a party and in which a director was materially interested either directly or indirectly.

Going concern statement

On the basis of current projections, the directors are confident that the Company has adequate resources to continue operations for the foreseeable future and consider that the going concern basis in preparing the financial statements be adopted.

Donations

No donation was made by the Company.

Directors remuneration

The directors' remuneration is detailed in the Corporate Governance Report

External auditors

The external auditors, **Grant Thornton**, have indicated their willingness to continue in office and a resolution concerning their re-appointment will be proposed at the Annual Meeting.

	2021	2020
	USD	USD
Fees for audit services (VAT exclusive)	20,000	19,500
Fees for non-audit services*	4,715	4,600

**These services are provided by Grant Thornton (Advisory Services) Ltd, a separate legal entity headed by non-audit partners. The fees paid during the year are in respect of tax compliance services for the Company.*

Warwyck Phoenix Securities Ltd

Corporate Governance Report for the year ended 31 December 2021

General Information

Warwyck Phoenix Securities Ltd, (the “Company”), was incorporated in Mauritius on 22 January 2015 as a private company with liability limited by shares. The Company's principal activity is to serve end customers by offering trading services in various instruments. The Company is licensed by the Financial Services Commission to operate as an Investment Dealer (Full-Service Dealer, Excluding Underwriting).

The Company's registered office is Warwyck House, Nalletamby Road, Phoenix 73538, Republic of Mauritius.

The Company upholds standards of corporate governance through awareness of business ethics and supervision of its operations by the Board of Directors.

Principle 1: Governance Structure:

The Board and Management of the Company are committed to ensuring and maintaining a high standard of corporate governance within the Company. The Board recognises that the National Code of Corporate Governance for Mauritius 2016 (the “Code”) is regarded as best practice and therefore uses its best endeavours to ensure compliance with the provisions set out in the Code.

The Board regularly monitors and evaluate compliance with its established ethical principles and standards.

The Board of Directors assumes full responsibility for leading and controlling the organisation and meeting all legal and regulatory requirements. In addition, the Board is collectively responsible for the long-term success, reputation and governance of the Company.

The Company has an updated Board Charter which defines the roles and responsibilities of the Chairperson, executive directors as well as the Company Secretary. The Board Charter is available on the Company's website or can be provided upon written request to the Company Secretary.

The position statement for each senior governance position and the statement of accountabilities are described in the Board Charter of the Company. The organisational chart is included within the annual report which is published on the website.

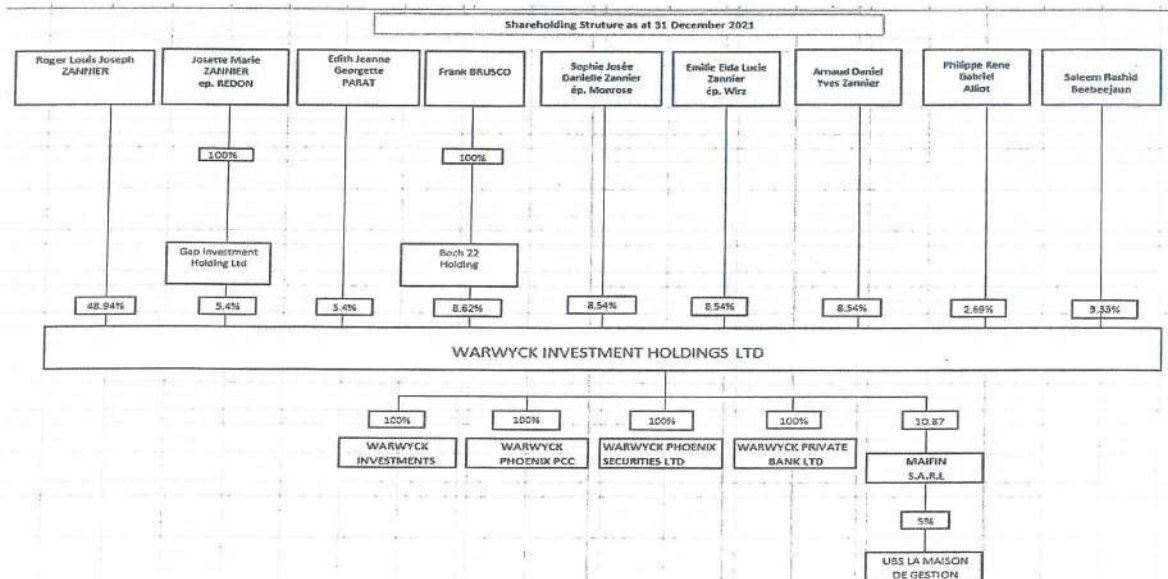
Warwyck Phoenix Securities Ltd

Corporate Governance Report for the year ended 31 December 2021 (Contd)

Principle 1: Governance Structure: (Contd)

1.1 Company structure and shareholding

The organisation structure is illustrated in the below diagram:



Shareholding:

At 31 December 2021, the stated capital of the Company stood at USD 34,000, represented by 34,000 ordinary shares with par value USD 1.

Warwyck Investment Holdings Ltd holds 100% of the Company shares.

Principle 2: The Structure of the Board and its Committees:

2.1 Board Structure

The Board of the Company has a unitary structure. The Board is of the view that current Directors have the range of skills, expertise and experience to carry out their duties effectively. The Board is composed of 2 directors coming from different sectors. Every director has drawn from his professional background and expertise in positively contributing to the Board's activities.

All Directors are ordinarily resident in Mauritius and the Board considers that its size and composition is reasonably sufficient to meet the requirements of the business of the Company.

The following directors held office during the year under review:

- Mr Rahul Girish Desai (appointed on 27 November 2017 and resigned on 20 January 2022)
- Ms Roomiza Hasan Miyan (appointed on 11 September 2019)
- Mr Vashish Muniah (appointed on 08 November 2019 and resigned on 27 July 2021)
- Ms. Devika Bhuwanee (appointed on 28 March 2022)

Warwyck Phoenix Securities Ltd

Corporate Governance Report for the year ended 31 December 2021 (Contd)

Principle 2: The Structure of the Board and its Committees: (Contd)

2.2 Board Composition

2.2.1 Chairperson

The members of the Board appointed Ms. Roomiza Hasan Miyan as Chairperson on 10 October 2019. The Chairperson is not involved in the day-to-day running of the business and is not a full-time employee of the Company. Additionally, the Chairperson's title, role and function is separate from that of the Chief Executive Officer of the Company.

2.2.2 Executive Directors

The members of the Board appointed Mr. Rahul Girish Desai as Chief Executive Officer ("CEO") of the Company. In his capacity as CEO, Mr. Desai is involved in the day to day running of the business and ensures that information pertaining to the day-to-day management of the Company are communicated to the Board. Alongside the CEO, the Board has appointed an executive director, namely Mr. Vashish Muniah, who is also involved in managing the daily affairs of the Company.

However, Mr. Vashish Muniah resigned from his position on 27 July 2021 and Mr. Rahul Girish Desai resigned from his position on 20 January 2022. Subsequently, Ms. Devika Bhuwanee was appointed on 28 March 2022 as CEO and executive director. In her capacity as CEO, Ms. Devika Bhuwanee is involved in the day to day running of the business and ensures that information pertaining to the day-to-day management of the Company are communicated to the Board.

2.2.3 Non-executive Directors

Due to the size of the Company, the Company has not appointed additional non-executive Directors.

2.2.4 Independent Directors

The members of the Board appointed Ms. Roomiza Hasan Miyan as Independent Director. Ms. Hasan Miyan has at all times exercised independence of character and judgement in assuming her role as independent director.

The Board further confirms that, the above-named independent director:

- has not been employed by the Company for the last three years;
- has not had any material business relationship with the Board either directly or indirectly or as partner, shareholder, director or senior employee of a body that has such a relationship with the Company;
- has not received additional remuneration from the organization apart from director's fee (as described hereunder)
- is not nominated directors representing a substantial shareholder;
- does not have any close family ties with any of the organisation's advisors, directors or senior employees; and
- has not served on the Board for more than nine continuous years from the date of their first election.

Warwyck Phoenix Securities Ltd

Corporate Governance Report for the year ended 31 December 2021 (Contd)

Principle 2: The Structure of the Board and its Committees: (Contd)

2.2.5 Directorship in other Companies

The following table discloses the directorship held by each director in other companies for the financial year under review:

Name of Director	Directorship in other Companies	Type of Directorship held
Mr Rahul Girish Desai	None	None
Mr Vashish Muniah	None	None
Ms Roomiza Hasan Miyan*	Accuance Ltd	Director
	MSIM Limited	Director

* Ms Roomiza Hasan Miyan is an independent non-executive director in Warwyck Phoenix Securities Ltd.

2.2.6 Company Secretary

Anex Management Services Limited ("Anex") is responsible for the provision of corporate secretarial services to the Company.

Anex, in its capacity as Company Secretary, provides the Board with detailed guidance as to how its responsibilities should be properly discharged in the best interests of the Company. In addition, the Company Secretary provides guidance on the statutory duties of the Board and the regulatory requirements of the Company.

The Company Secretary further assists the Chairman, the Board and Board Committees in applying and implementing the principles of the Code with a view to enhancing long-term stakeholder's value.

The Company Secretary is subject to an annual evaluation by the Board.

2.2.6 Board Diversity

The Board members are from both genders in compliance with the requirements of the Code.

2.3 Board meetings

Board meetings are held at least twice yearly and at any additional times as the Company requires. Decisions taken between meetings are confirmed by way of written resolutions, agreed and signed by all Directors entitled to receive notice.

The Board meetings are conducted in accordance with the Company's Constitution and the Mauritius Companies Act 2001 and are convened by giving appropriate notice to Directors. Detailed agenda together with other supporting documents are circularized in advance by the Company Secretary to the Directors to enable them to make focused and informed deliberations at Board meetings.

Warwyck Phoenix Securities Ltd

Corporate Governance Report for the year ended 31 December 2021 (Contd)

Principle 2: The Structure of the Board and its Committees: (Contd)

The matters being considered at the meetings are as follows:

- to examine all statutory matters;
- to approve the audited financial statements and reviews important accounting issues;
- to review the Company's performance;
- to ensure compliance of the Company with the legislations;
- to take note of changes in the legislations which may affect the Company;
- to approve management accounts; and
- to discuss any other business.

The Board promotes, encourages and expects open and frank discussions at meetings. Board meetings provide a forum for challenging and constructive debate.

During the year under review, the Board has met twice. Minutes of the proceedings of each Board meeting are recorded by the Company Secretary and submitted for confirmation at its next meeting where they are signed by the Chairperson and Company Secretary.

The table below shows the attendance of directors during the year ended 31 December 2021:

Directors	Attendance at Board
Rahul Girish Desai (appointed on 27 November 2017 and resigned on 20 January 2022)	2/2
Roomiza Hasan Miyan (appointed on 11 September 2019)	2/2
Vashish Muniah (appointed on 08 November 2019 and resigned on 27 July 2021)	1/1

2.4 Board Committees

Due to the size of the Company, all decisions are taken at the level of the Board.

Principle 3: Director appointment procedures:

3.1 Directors' appointment and procedures

The re-election of directors is subject to continued satisfactory performance of the directors.

Upon any change in directorship, the Board assumes the responsibilities for succession planning as well as for the appointment of the new directors.

Directors' profiles are given hereinafter:

3.2 Directors' Profile

Rahul Girish Desai - Age 32

Director - Executive

Date of appointment: 27 November 2017

Date of resignation: 20 January 2022

Mr Rahul Desai joined Warwyck Phoenix Securities Ltd in September 2017 as a Senior Trader and was subsequently appointed as Director of the Company. Mr. Desai is an astute trader with several years of experience in the investment field and extensive knowledge in the trading of international equities, forex, bonds, derivatives and funds. Rahul Desai is a Mechanical Engineering graduate from University College London (UCL).

Warwyck Phoenix Securities Ltd

Corporate Governance Report for the year ended 31 December 2021 (Contd)

Principle 3: Director appointment procedures: (Contd)

Directorship in other listed companies: none

Ms Roomiza Hasan Miyan - Age 41

Director – Non Executive

Date of appointment: 11 September 2019

Ms Roomiza Hasan Miyan joined as board member of Warwyck Phoenix Securities Ltd in September 2019. Ms. Hasan Miyan gathered several years of experience as an Officer in different companies and has a strong exposure to the global business sector. Ms Roomiza Hasan Miyan holds Bachelor of Laws LLB Hons and is partly qualified for the Chartered Secretaries Qualifying Scheme of the Institute of Chartered Secretaries and Administrators (ICSA).

Directorship in other listed companies: none

Mr Vashish Muniah - Age 29

Director – Executive

Date of appointment: 08 November 2019

Date of resignation: 27 July 2021

Mr Vashish Muniah joined Warwyck Phoenix Securities Ltd in February 2019 as a Trader and was subsequently appointed as Director of the Company. Mr Muniah has a broad experience in the trading of securities gathered during his employment in the banking and investment sector. Mr Muniah holds a Bachelor of Science, Actuarial Studies and is a Chartered Financial Analyst (CFA).

Mr Vashish Muniah resigned from his position on 27 July 2021

Directorship in other listed companies: none

Devika Bhuwanee - Age 30

Executive Director

Date of appointment: 28 March 2022

Devika Bhuwanee is a CFA Charterholder and a member of the Association of Chartered Certified Accountants of the U.K. She has joined as board member on 28 March 2022.

Devika joined Deutsche Bank (Mauritius) Limited in 2012 where she took on the position of Private Equity Fund Analyst supporting the Private Equity & Real Estate client services team in Cayman, Singapore and New York. In September 2018, Devika joined Warwyck Phoenix PCC as Senior Fund Accountant and was, subsequently, appointed as Fund Manager and to the Board of Directors in August 2020.

Directorship in other listed companies: none

3.3 Board orientation and induction

An induction program is organized to ensure that newly appointed directors receive an induction upon joining the Board to familiarise them with the Company's operations, senior management and its business environment and to induct them in their fiduciary duties and responsibilities. The Company's relevant governing documents are provided to them.

Warwyck Phoenix Securities Ltd

Corporate Governance Report for the year ended 31 December 2021 (Contd)

Principle 3: Director appointment procedures: (Contd)

3.4 Professional development

As part of the Board's commitment to continue improvement, an ongoing professional development and training programme is in place for directors. The Company ensures that the necessary resources for developing and updating its directors' knowledge and capabilities are provided as and when required. The Board has reviewed the professional development and ongoing education of directors.

3.5 Succession planning

The Board of Directors believes that suitable plans are in place for the orderly succession of appointments to the board and to senior management positions in order to maintain an appropriate balance of knowledge, skills and experience within the organization and on the Board.

Principle 4: Directors duties, Senior executive remuneration and performance:

4.1 Directors Duties

The Directors are aware of their legal duties under the Mauritius Companies Act 2001 and other relevant legislations, such as the Securities Act 2005 and Financial Services Act 2007. Once they are appointed as directors, the board members are informed and communicated with a copy of the Board Charter, Company constitution and other internal rules and policies of the Company.

The Board strictly believes that a Director should make his best effort to avoid conflict of interest or situation where others might reasonably perceive as a conflict.

All directors are subject to the disclosure and formality requirements of the Companies Act in relation to transactions in which they have an interest.

It is the responsibility of each Director to ensure that any conflict of interest be recorded in the interest register maintained by the Company Secretary. The said register is available to shareholders upon written request to the Company Secretary. The Directors are aware of their responsibility to make full and timely disclosure of any conflict, or potential conflict to the Board.

All conflicts of interests and related party transactions are addressed by the Board in accordance with the internal policies of the Company and the Mauritius Companies Act 2001.

4.2 Code of ethics

In accordance with the requirements of the Code, the Board has adopted a Code of Ethics to encourage honest and ethical conduct, including fair dealing and the ethical handling of conflicts; all directors, officers and employees of the Company are expected to be familiar with the Code of Ethics and to adhere to those principles and procedures set forth therein.

Honest and Ethical Conduct

Each director, officer, employee owes a duty to the Company to act with integrity. Integrity requires, among other things, being honest and ethical. This includes the ethical handling of actual or apparent conflicts of interest between personal and professional relationships. Deceit and subordination of principle are inconsistent with integrity.

Warwyck Phoenix Securities Ltd

Corporate Governance Report for the year ended 31 December 2021 (Contd)

Principle 4: Directors duties, Senior executive remuneration and performance: (Contd)

4.2 Code of ethics (Contd)

Honest and Ethical Conduct (Contd)

Each director, officer and employee must:

- act with integrity, including being honest and ethical while still maintaining the confidentiality of information where required or consistent with the Company's policies.
- observe both the form and spirit of laws and governmental rules and regulations and accounting standards. adhere to a high standard of business ethics
- accept no improper or undisclosed material personal benefits from third parties as a result of any transactions of the Company.

The Company does not have a separate Code of Ethics, however, the Code of Ethics and code standard of behavior are set out in the Employee Handbook.

4.2.1 Board Information

All Directors receive regular information about the Company so that they are equipped to play their role fully in Board Meetings. Papers for Board and Committee Meetings are circulated prior to the relevant meeting. All Board Members have access to the Company Secretary for any further information they require. The appointment and removal of the Company Secretary is a matter for the Board as a whole. Independent professional advice is available to directors in appropriate circumstances, at the Company's expense.

The Board members of the Company ensure that matters relating to the Company, learned in their capacity as Directors, are strictly confidential and private and shall not be divulged to anyone without the express authority of the Board.

The Company Secretary maintains an interest register which is available to shareholders upon written request.

4.2.2 Related Party transactions

The related party transactions have been set out in note 19 of these financial statements.

4.2.3 Board evaluation

No evaluation of the Board has been done for the year under review.

4.2.4 Information, Information Technology and Information Security Governance

The Company has entered into a Service Level Agreement ("SLA") with Warwyck Private Bank Ltd ("WPBL") for various services, namely information governance system. The Board has adopted the Information Security Policy of WPBL which includes the provision of Information technology and Information Security services. Monitoring and evaluation of significant expenditure is covered under the SLA with WPBL. Any significant expenditure in information technology is discussed and approved at the level of the Board.

The information governance framework of the Company is regularly assessed by the Board.

Warwyck Phoenix Securities Ltd

Corporate Governance Report for the year ended 31 December 2021 (Contd)

Principle 4: Directors duties, Senior executive remuneration and performance: (Contd)

4.2.5 Statement of Remuneration Policy

Setting a Statement of Remuneration Policy is to attract, retain and motivate the right level high calibre personnel and reward in alignment with their individual as well as joint contribution towards the achievement of the Company's objective and performance, whilst taking into consideration the current market conditions and the Company's financial position. The Directors are remunerated for their knowledge, experience and insight given to the Board

The remuneration and benefits paid to the directors for the year ended 31 December 2021 amounted to USD 63,939.

The Board of Directors has resolved not to disclose the detailed remuneration paid to the directors on an individual basis due to the commercial sensitivity of the information.

The Board has reviewed the adequacy of directors' and senior executives' remuneration and reasonably believes that the current remuneration policy is fair and reasonable having regard to the skills, knowledge and experience brought by the Directors to the Company.

Non-executive remuneration

The Board of Directors has resolved not to disclose the remuneration paid to the independent director due to commercial sensitivity of the information.

The non-executive directors have not received remuneration in the form of share options or bonuses associated with the performance of the organisation

Executive remuneration

Directors who are in full time employment with the Company are entitled to a fixed salary as per their contract of employment. They do not receive any additional remuneration for attending the Board meetings and Committees.

Principle 5: Risk Governance and Internal Control:

The Board is ultimately responsible for the Company's system of internal control and for reviewing its effectiveness.

The Board has the overall responsibility for the Company's systems of risk management and internal control and for reviewing their effectiveness. The responsibility for setting risk strategy, assessing and assuring the quality of the risk management process remains with the Board. In its bid to promote sound and balanced growth, the Board places key emphasis on the Company's risk management framework and internal control system.

The Company has entered into a Service Level Agreement with Warwyck Private Bank Ltd for various services, including general internal audit support. As part of internal control system, the Company has a procedures Manual in place for implementing, maintaining and monitoring the internal controls.

The areas, systems and processes covered by the internal audit through a service level agreement which also include non-financial matters are listed on the internal audit plan which is approved by the Board. The Internal Auditor is authorised to have full and unrestricted access to records, personnel, and physical properties relevant to the performance of its engagements.

The internal audit report and external auditors are, thereafter, tabled directly to the Board.

Warwyck Phoenix Securities Ltd

Corporate Governance Report for the year ended 31 December 2021 (Contd)

Principle 5: Risk Governance and Internal Control: (Contd)

Based on the issues or risks identified by the internal and external auditors, its recommendations and management actions adopted to mitigate the risks, the Board received assurance that the internal control systems are adequate and effective. Subsequently, the Board ensures that controls in place result in an acceptable level of risk whilst also overseeing the effectiveness of the Company's internal control systems. Management acknowledges there maybe risks or deficiencies but work with Internal Auditor and external auditors to identify same. The Board has received assurance that internal controls are adequate and effective.

5.1 The financial risk factors have been set out in note 4 of these financial statements.

5.2 Whistle blowing policy

The Company has adopted the whistle blowing policy of Warwyck Private Bank Ltd.

Principle 6: Reporting with integrity:

The directors are responsible for the preparation and fair presentation of the financial statements, comprising the Company's statement of financial position, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and the notes to the financial statements, which include a summary of significant accounting policies and other explanatory notes, in accordance with International Financial Reporting Standards ("IFRS") and the Mauritius Companies Act 2001.

The directors' responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of these financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

The directors assess the Company's ability to continue as a going concern and same is disclosed in the financial statements every year.

Due to the nature of its activities the Company has:

- no adverse impact on environment;
- no health and safety issues;
- no adverse social issues;
- no corporate social responsibility in place;
- not made any donations during the current or in previous year.

The Statement of Directors Responsibilities is found on Page 3 of the Annual Report.

The Annual report will be published on the company's website, within ninety (90) days after the financial year-end.

Warwyck Phoenix Securities Ltd

Corporate Governance Report for the year ended 31 December 2021 (Contd)

Principle 7: Audit:

7.1 Internal Audit

The internal audit function of the Company is carried by the internal audit team by virtue of a Service Level Agreement with the bank. It regularly reports to the Board.

More information on the internal audit function is given under Principle 5 and on page 13 of the Corporate Governance Report.

7.2 External Audit

Grant Thornton was re-appointed as External Auditors of the Company through written resolution in lieu of annual meeting on 30 March 2021 for the ensuing year.

Since there is no Audit & Risk Committee, the board has reviewed the audit process, the effectiveness and performance of the audit team and the output, quality and cost effectiveness of the audit and concluded that the Services of Grant Thornton be retained.

Since there is no Audit & Risk Committee, the board meets with the External Auditors and during the meetings, the financial statements of the Company and the accounting principles adopted are discussed and no significant issues were identified.

Audit fees payable to Grant Thornton for the year under review amounted to USD 20,000 (31 December 2020: USD19,500).

The Company has appointed Grant Thornton (Advisory Services) Ltd for tax compliance and other services. Non-audit fees for tax services for the year under review amounted to USD 4,715 (31 December 2020: USD 4,600).

The audit and advisory department of Grant Thornton are two separate departments and the manager and signing partner for the provision of each service are different persons.

Principle 8: Relations with Shareholders and other key stakeholders:

8.1 Shareholders' Agreement

The Board has no knowledge of any Shareholders' Agreement entered by Shareholders

8.2 Employee Share Option Plan

The Company has no Employee Share Option Plan

8.3 Third Party Management Agreement

Save and except for the Service Level Agreement with Warwyck Private Bank Ltd, no agreement relating to management services between third parties and the Company was entered during the year under review.

Warwyck Phoenix Securities Ltd**Corporate Governance Report for the year ended 31 December 2021 (Contd)****Principle 8: Relations with Shareholders and other key stakeholders: (Contd)****8.4 Shareholders and Stakeholders communication**

The Board of Directors places great importance on transparency and optimal disclosure to shareholders and hence ensures that shareholders are kept informed on matters affecting the Company. All material business developments that influence the Company are communicated to stakeholders in a transparent and timely manner through various communication channels including official press announcements.

Annual audited financial statements are provided to shareholders within ninety (90) days after each financial year-end.

Shareholders are also invited to attend the Company's Annual Meeting, which remains the ideal forum for discussions with Directors and the Management Team. Through the services of the Company Secretary, notice of the Annual Meeting or other Shareholder meetings and other related papers are provided to Shareholders at least 14 days prior to such meetings. The Management presents the major operational development of the Company during the Annual meeting and Shareholders are invited to raise any questions and discussions they deem necessary.

Key stakeholders of the Company include international financial institutions and/or their relevant divisions (banking/custody/brokerage/asset management) with which the Company is in regular communication to ensure that all the requirements of the stakeholders are met for proper business conduct and for them to also understand the Company's requirements and exigencies.

8.5 Appreciation

The Board expresses its appreciation and gratitude to all those involved for their contribution during the year.

Statement of Compliance

(Section 75(3) of the Financial Reporting Act 2004)

Name of Company:

Warwyck Phoenix Securities Ltd

Reporting Period:

Financial year ended 31 December 2021

We, the directors of Warwyck Phoenix Securities Ltd, (the 'Company'), hereby confirm to the best of our knowledge that the Company has complied with all its obligations and requirements under the Code of Corporate Governance (the 'Code') except for the following sections:

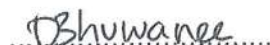
Principle 2: The Structure of the Board and its Committees

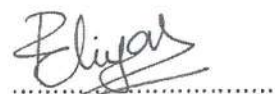
- No committees in place

Principle 4: Director Duties, Remuneration and Performance

- Board evaluation
- No disclosure of remuneration paid to individual director.


The reasons of non-compliance with the above principles of the Code are provided in the Corporate Governance Report.


.....
Director


.....
Director

Warwyck Phoenix Securities Ltd**Certificate from the Secretary to the member of Warwyck Phoenix Securities Ltd**

We certify, to the best of our knowledge and belief, that we have filed with the Registrar of Companies all such returns as are required of Warwyck Phoenix Securities Ltd, under the Mauritius Companies Act 2001, in terms of Section 166 (d), during the financial year ended 31 December 2021.


for Anex Management Services Ltd
Company Secretary

8th Floor, Ebene Tower
52 Cybercity
Ebene 72201
Republic of Mauritius

Date: 31 MAR 2022

**Independent auditors' report
To the member of Warwyck Phoenix Securities Ltd**

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **Warwyck Phoenix Securities Ltd**, the “Company”, which comprise the statement of financial position as at 31 December 2021, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements on pages 23 to 42 give a true and fair view of the financial position of the Company as at 31 December 2021, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards and comply with the requirements of the Mauritius Companies Act 2001.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing. 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, 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.

Emphasis of matter

Other receivables

The Company has an amount of USD 51,493 due from related party of the Company as described in note 7 to the financial statements. The directors have assessed the recoverability of this amount and concluded that no sign of impairment has been identified. The financial statements do not include any adjustments that may be deemed necessary if either part or the full amount becomes impaired.

Our opinion is not modified in respect of the above matter.

Information Other than the Financial Statements and Auditors’ Report Thereon (“Other Information”)

Management is responsible for the Other Information. The Other Information comprises mainly of information included under Corporate Data, Annual Report, Corporate Governance Report, Statement of Compliance and Report from the Company’s Secretary as required in the Mauritius Companies Act 2001, but does not include 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.

Independent auditors' report (Contd)
To the member of Warwyck Phoenix Securities Ltd

Report on the Audit of the Financial Statements (Contd)

Information Other than the Financial Statements and Auditors' Report Thereon ("Other Information") (Contd)

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, 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, with the exception of the information provided below.

Corporate Governance Report

Our responsibility under the Financial Reporting Act is to report on the compliance with the Code of Corporate Governance disclosed in the annual report and assess the explanations given for non-compliance with any requirements of the Code. From our assessment of the disclosures made on Corporate Governance in the annual report, the Company has complied with the requirements of the Code.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation of the financial statements in accordance with International Financial Reporting Standards and comply with the requirements of the Mauritius Companies Act 2001, and for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is 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 management either intends to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

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 International Standards on Auditing 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.

Independent auditors' report (Contd)
To the member of Warwyck Phoenix Securities Ltd

Report on the Audit of the Financial Statements (Contd)

Auditors' Responsibilities for the Audit of the Financial Statements (Contd)

As part of an audit in accordance with International Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- 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. 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.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Other matter

Our report is made solely to the member of the Company as a body in accordance with Section 205 of the Mauritius Companies Act 2001. Our audit work has been undertaken so that we might state to the Company's member those matters we are required to state to it 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 member as a body, for our audit work, for this report, or for the opinion we have formed.

Independent auditors' report (Contd)
To the member of Warwyck Phoenix Securities Ltd

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of Mauritius Companies Act 2001, we report as follows:

- we have no relationship with, or any interests in, the Company other than in our capacity as auditors;
- we have obtained all the information and explanations we have required; and
- in our opinion, proper accounting records have been kept by the Company as far as it appears from our examination of those records.


Grant Thornton
Chartered Accountants


JUNAID HAJEE ABDOULA, FCCA
Licensed by FRC

Date: **31 MAR 2022**

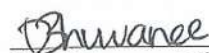
Ebene 72201, Republic of Mauritius


Warwyck Phoenix Securities Ltd

Statement of financial position as at 31 December

	Notes	2021 USD	2020 USD
Assets			
Current			
Other receivables	7	55,967	63,230
Current tax assets	18	-	10,283
Cash and cash equivalents	8	61,278	171,057
Current assets		117,245	244,570
Total assets		117,245	244,570
Equity and liability			
Equity			
Stated capital	9	34,000	34,000
Retained earnings		53,769	182,517
Total equity		87,769	216,517
Liability			
Current			
Payables and accruals	10	29,476	28,053
Current liability		29,476	28,053
Total equity and liability		117,245	244,570

Approved by the Board of Directors on 31/03/2022 and signed on its behalf by:


Director


Director

The notes on pages 27 to 42 form an integral part of these financial statements.

Warwyck Phoenix Securities Ltd

Statement of comprehensive income for the year ended 31 December

		2021	2020
	Notes	USD	USD
Revenue			
Commission income	11	264,979	314,125
Expenditure			
Salaries and related costs	12	65,804	71,911
Other expenses	17	2,999	10,485
Insurances		3,196	3,313
Licences and permits		5,843	8,021
Professional fees		47,450	52,348
Shared expenses	13	198,000	198,000
Rent		62,100	63,900
Exchange fees	14	18,944	24,635
Retrocession	15	2,690	18,922
Total expenditure		407,026	451,535
Operating loss		(142,047)	(137,410)
Foreign exchange (losses)/gain		(5,497)	22,310
Net finance income	16	18,796	55,030
Loss before tax		(128,748)	(60,070)
Tax expense	18	-	-
Loss for the year		(128,748)	(60,070)
Other comprehensive income:			
Items that will not be reclassified subsequently to profit or loss		-	-
Items that will be reclassified subsequently to profit or loss		-	-
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year		(128,748)	(60,070)

The notes on pages 27 to 42 form an integral part of these financial statements.

Warwyck Phoenix Securities Ltd

Statement of changes in equity for the year ended 31 December

	Stated capital USD	Retained earnings USD	Total USD
At 01 January 2021	34,000	182,517	216,517
Loss for the year	-	(128,748)	(128,748)
Other comprehensive income	-	-	-
Total comprehensive income for the year	-	(128,748)	(128,748)
At 31 December 2021	34,000	53,769	87,769
At 01 January 2020	34,000	242,587	276,587
Loss for the year	-	(60,070)	(60,070)
Other comprehensive income	-	-	-
Total comprehensive income for the year	-	(60,070)	(60,070)
At 31 December 2020	34,000	182,517	216,517

The notes on pages 27 to 42 form an integral part of these financial statements.

Warwyck Phoenix Securities Ltd

Statement of cash flows for the year ended 31 December

	2021 USD	2020 USD
Operating activities		
Loss before tax	(128,748)	(60,070)
<i>Net changes in working capital:</i>		
Change in other receivables	7,263	(15,863)
Change in payables and accruals	1,423	(166,035)
Total changes in working capital	8,686	(181,898)
Tax refunded/(paid)	10,283	(5,610)
Net cash used in operating activities	(109,779)	(247,578)
Net change in cash and cash equivalents	(109,779)	(247,578)
Cash and cash equivalents at the beginning of the year	171,057	418,635
Cash and cash equivalents at the end of the year	61,278	171,057
Cash and cash equivalents for the purpose of the statement of cash flows is made up of:		
Cash at bank (Note 8)	61,278	171,057

The notes on pages 27 to 42 form an integral part of these financial statements.

Warwyck Phoenix Securities Ltd

Notes to the financial statements

For the year ended 31 December 2021

1. General information and statement of compliance with IFRS

Warwyck Phoenix Securities Ltd, the “Company”, was incorporated in the Republic of Mauritius under the Mauritius Companies Act 2001 on 22 January 2015 as a private company with liability limited by shares. The Company holds a Category 1 Global Business Licence and an Investment Dealer (Full Service Dealer, Excluding Underwriting) Licence issued by the Financial Services Commission. The Company’s registered office is Warwyck House, Nalletamby Road, Phoenix 73538, Republic of Mauritius.

The principal activity of the Company is to serve end customers by offering trading services in various instruments.

The financial statements of the Company have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”).

2. Application of new and revised IFRS

2.1 New and revised standards that are effective for the financial year beginning on 01 January 2021

In the current year, the following new and revised standards and interpretation issued by the IASB became mandatory for the first time for the financial year beginning on 01 January 2021:

Various	Interest Rate Benchmark Reform Phase 2 (Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16)
IFRS 16	COVID - 19 Related Rent Concessions (Amendment to IFRS 16)

Management has assessed the impact of these new and revised standards and interpretation and concluded that they have no major impact these financial statements.

2.2 Standards, amendments to existing standards and interpretations that are not yet effective and have not been adopted early by the Company

At the date of authorisation of these financial statements, certain new standards and amendments to existing standards have been published but are not yet effective, and have not been adopted early by the Company.

Management anticipates that all of the relevant pronouncements, as applicable to the Company’s activity, will be adopted in the Company’s accounting policies for the first year beginning after the effective date of the pronouncements. Information on new standards and amendments to existing standards is provided below.

IFRS 3	References to the Conceptual Framework (Amendments to IFRS 3)
IAS 16	Proceeds before Intended Use (Amendments to IAS 16)
IAS 37	Onerous Contract – Cost of Fulfilling a Contract (Amendments to IAS 37)
IFRS 1, IFRS 9, IFRS 16 and IAS 41	Annual improvements to IFRS Standards 2019-2020 Cycle (Amendments to IFRS 1, IFRS 9, IFRS 16, IAS 41)
IFRS 17	Insurance Contracts, including Amendments to IFRS 17.
IFRS 4	Extension of the Temporary Exemption from Applying IFRS 9 (Amendments to IFRS 4)

Warwyck Phoenix Securities Ltd

Notes to the financial statements

For the year ended 31 December 2021

2. Application of new and revised IFRS (Contd)

2.2 Standards, amendments to existing standards and interpretations that are not yet effective and have not been adopted early by the Company (Contd)

IAS 1	Classification of Liabilities as Current or Non-current (Amendments to IAS 1)
IAS 12	Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12)
IFRS 17	Initial Application of IFRS 17 and IFRS 9 – Comparative Information (Amendments to IFRS 17)
IFRS 16	COVID-19-Related Rent Concessions beyond 30 June 2021 (Amendment to IFRS 16)

Management has yet to assess the impact of the above standards and amendments on the Company's financial statements.

3. Summary of accounting policies

3.1 Overall considerations

The financial statements have been prepared using the significant accounting policies and measurement bases summarised below.

3.2 Financial instruments

Recognition, initial measurement and derecognition

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the financial instrument. Subsequent measurement of financial assets and liabilities are described below.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred.

A financial liability is derecognised when it is extinguished, discharged, cancelled or expired.

Classification and subsequent measurement of financial assets

All assets are initially measured at fair value adjusted for transaction costs.

Financial assets, other than those designated and effective as hedging instruments, are classified into the following categories:

- amortised cost;
- fair value through profit or loss (FVTPL); and
- fair value through other comprehensive income (FVOCI).

In the current year, the Company does not have any financial assets categorised as FVOCI and FVTPL.

Warwyck Phoenix Securities Ltd

Notes to the financial statements

For the year ended 31 December 2021

3. Summary of accounting policies (Contd)

3.2 Financial instruments (Contd)

Classification and subsequent measurement of financial assets (Contd)

The classification is determined by both:

- the Company's business model for managing the financial asset; and
- the contractual cash flow characteristics of the financial asset.

All income and expenses relating to financial assets that are recognised in profit or loss are presented within finance income, finance costs or other financial items, except for impairment of other receivables which is presented within other expenses.

Financial assets at amortised cost

Financial assets are measured at amortised cost if the assets meet the following conditions (and are not designated as FVTPL):

- they are held within a business model whose objective is to hold the financial assets and collect its contractual cash flows; and
- the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial recognition, these are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial. The Company's cash and cash equivalents and other receivables fall into this category of financial instruments.

Impairment of financial assets

IFRS 9's impairment requirements use more forward-looking information to recognise expected credit losses – the 'expected credit loss (ECL) model'. Instrument within the scope of this requirement includes other receivables.

The Company considers a broader range of information when assessing credit risk and measuring expected credit losses, including past events, current conditions, 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.

Warwyck Phoenix Securities Ltd

Notes to the financial statements

For the year ended 31 December 2021

3. Summary of accounting policies (Contd)

3.2 Financial instruments (Contd)

Impairment of financial assets (Contd)

'12-month expected credit losses' are recognised for the first category (Stage 1) while 'lifetime expected credit losses' are recognised for the second category (Stage 2).

Measurement of the expected credit losses is determined by a probability-weighted estimate of credit losses over the expected life of the financial instrument.

Classification and subsequent measurement of financial liabilities

The Company's financial liabilities include payables and accruals.

Financial liabilities are initially measured at fair value, and, where applicable, adjusted for transaction costs unless the Company designated a financial liability at fair value through profit or loss.

Subsequent measurement of financial liabilities

Subsequently, financial liabilities are measured at amortised cost using the effective interest method except for derivatives and financial liabilities designated at FVTPL, which are carried subsequently at fair value with gains or losses recognised in profit or loss.

All interest-related charges and, if applicable, changes in an instrument's fair value that are reported in profit or loss are included within finance costs or finance income.

Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

3.3 Foreign currency

Functional and presentation currency

The financial statements are presented in currency United States Dollar ("USD"), which is also the functional currency of the Company.

Foreign currency translations and balances

Foreign currency transactions are translated into the functional currency of the Company, using the exchange rates prevailing at the dates of the transactions (spot exchange rate). Foreign exchange gains and losses resulting from the settlement of such transactions and from the re-measurement of monetary items denominated in foreign currency at year-end exchange rates are recognised in the statement of comprehensive income.

Non-monetary items are not retranslated at year-end and are measured at historical cost (translated using the exchange rates at the transaction date), except for non-monetary items measured at fair value which are translated using the exchange rates at the date when fair value was determined.

Warwyck Phoenix Securities Ltd

Notes to the financial statements

For the year ended 31 December 2021

3. Summary of accounting policies (Contd)

3.4 Cash and cash equivalents

Cash and cash equivalents comprise of cash on hand and demand deposits together with other short-term, highly liquid investments maturing within 90 days from the date of acquisition that are readily convertible into known amounts of cash and which are subject to an insignificant risk of change in value.

3.5 Equity, reserves and dividend payments

Stated capital represents the nominal value of shares that have been issued.

Retained earnings include all the current and prior years' results.

3.6 Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required from the Company and a reliable estimate of the amount can be made. At time of effective payment, the provision is deducted from the corresponding expenses. All known risks at the reporting date are reviewed in detail and provision is made where necessary.

3.7 Revenue

The Company assesses its revenue arrangements against specific criteria in order to determine it is acting as broker or agent. The Company has concluded that it is acting as a broker in all of its revenue arrangements. Commission income is recognised in accordance with the substance of the relevant agreements in place.

To determine whether to recognise revenue, the Company ensures that the following 5 conditions are satisfied:

1. Identifying the contract with a customer;
2. Identifying the performance obligations;
3. Determining the transaction price;
4. Allocating the transaction price to the performance obligations; and
5. Recognising revenue when/as performance obligation(s) are satisfied.

The Company recognises revenue when it has fulfilled its performance obligations by delivering the contractual services to its customers.

Interest income is reported on an accrual basis using the effective interest method.

3.8 Expense recognition

All expenses are accounted for on the accrual basis.

3.9 Income taxes

Tax expense recognised in profit or loss comprises the sum of deferred tax and current tax not recognised in other comprehensive income or directly in equity.

Warwyck Phoenix Securities Ltd

Notes to the financial statements

For the year ended 31 December 2021

3. Summary of accounting policies (Contd)

3.9 Income taxes (Contd)

Current income tax assets and/or liabilities comprise those claims from, or obligations to, fiscal authorities relating to the current or prior reporting periods, that are unpaid at the reporting date. Current tax is payable on taxable profit, which differs from profit or loss in the financial statements. Calculation of current tax is based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting year.

Deferred income taxes are calculated using the liability method on temporary differences between the carrying amounts of assets and liabilities and their tax bases.

Deferred tax assets and liabilities are calculated, without discounting, at tax rates that are expected to apply to their respective period of realisation, provided they are enacted or substantively enacted by the end of the reporting year.

Deferred tax assets are recognised to the extent that it is probable that they will be able to be utilised against future taxable income, based on the Company's forecast of future operating results which is adjusted for significant non-taxable income and expenses and specific limits to the use of any unused tax loss or credit. Deferred tax liabilities are always provided for in full.

Deferred tax assets and liabilities are offset only when the Company has a right and intention to set off current tax assets and liabilities from the same taxation authority.

Changes in deferred tax assets or liabilities are recognised as a component of tax income or expense in profit or loss, except where they relate to items that are recognised in other comprehensive income or directly in equity, in which case the related deferred tax is also recognised in other comprehensive income or equity, respectively.

3.10 Related party transactions

A related party is a person or company where that person or company has control or joint control of the reporting company; has significant influence over the reporting company; or is a member of the key management personnel of the reporting company or of a parent of the reporting company.

3.11 Impairment of assets

At each reporting date, the Company reviews the carrying amounts of its assets to determine whether there is any indication that these assets have suffered any impairment loss. When an indication of impairment loss exists, the carrying amount of the asset is assessed and written down to its recoverable amount.

3.12 Comparatives

Where necessary, comparative figures have been adjusted to conform to changes in presentation in the current year.

Warwyck Phoenix Securities Ltd

Notes to the financial statements

For the year ended 31 December 2021

3. Summary of accounting policies (Contd)

3.13 Significant management judgements in applying accounting policies and estimation uncertainty

When preparing the financial statements, management undertakes a number of judgements, estimates and assumptions about the recognition and measurement of assets, liabilities, income and expenses.

Significant management judgement

Significant management judgement in applying the accounting policies of the Company that has the most significant effect on the financial statements is set out below.

Determination of functional currency

The determination of the functional currency of the Company is critical since recording of transactions and exchange differences arising therefrom are dependent on the functional currency selected. The directors have considered those factors and have determined that the functional currency of the Company is the USD.

Going concern

The World Health Organisation ("WHO") declared the new coronavirus ("COVID-19") outbreak to be a pandemic on 11 March 2020. The spread of COVID-19 has severely impacted many local economies around the globe. In many countries, businesses are being forced to cease or limit operations for long or indefinite periods of time.

The directors acknowledge the current outbreak of COVID-19 and its adverse impact on industries and markets. The directors have assessed that COVID-19 had no significant impact on the business operations and results for the year ended 31 December 2021. However, the long term impact of COVID-19 on the Company's operations is still unclear and the directors are monitoring the situation closely and have adopted various measures to mitigate the risk involved such as business continuity planning so that it does not affect the going concern of the Company.

Recognition of deferred tax assets

The extent to which the deferred tax assets can be recognised is based on an assessment of the probability of the Company's future taxable income against which the deferred tax assets can be utilised.

Estimation uncertainty

Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below. Actual results may be substantially different.

Impairment of financial assets

The Company uses the guidance of IFRS 9 to determine the degree of impairment of its other receivables. Management considers a broader range of information when assessing credit risk and estimating the credit losses, including past events, current conditions, reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the receivables. These estimates are based on assumptions about a number of factors and actual results may differ, resulting in future changes to the allowance.

Warwyck Phoenix Securities Ltd

Notes to the financial statements

For the year ended 31 December 2021

4. Financial instrument risk

Risk management objectives and policies

The Company's activity exposes it to a variety of financial risks: market risk (including foreign exchange risk and interest rate risk), credit risk and liquidity risk. The Company's risk management is carried out under policies approved by the Board of Directors and focuses on securing the Company's short to medium term cash flows by minimising the exposure to financial risks.

The Company's financial assets and financial liabilities by category are summarised below.

Financial assets at amortised cost	2021 USD	2020 USD
Current		
Other receivables*	51,493	46,963
Cash and cash equivalents	61,278	171,057
Total financial assets	112,771	218,020

**Other receivables exclude prepayments*

Financial liability at amortised cost	2021 USD	2020 USD
Current		
Payables and accruals	29,476	28,053
Total financial liability	29,476	28,053

The most significant financial risks to which the Company is exposed are described below:

4.1 Market risk analysis

Foreign currency sensitivity

The Company is exposed to foreign exchange risk arising from its currency exposures, primarily with respect to the Euro ("EUR") and the Mauritian Rupee ("MUR"). Consequently, the Company is exposed to the risk that the exchange rates of the USD relative to the EUR and the MUR may change in a manner which has a material effect on the reported value of the Company's assets and liabilities which are in EUR and MUR. The Company does not use any financial instruments to hedge its foreign exchange risk.

Warwyck Phoenix Securities Ltd

Notes to the financial statements

For the year ended 31 December 2021

4. Financial instrument risk ((Contd)

Risk management objectives and policies (Contd)

4.1 Market risk analysis (Contd)

Foreign currency sensitivity (Contd)

Foreign currency denominated financial assets and liabilities which expose the Company to currency risk are disclosed below. The amounts shown are those reported to key management translated into USD at the closing rate:

	Financial assets 2021 USD	Financial liabilities 2021 USD	Financial assets 2020 USD	Financial liabilities 2020 USD
EUR	90,759	-	156,919	-
USD	16,260	29,476	43,502	28,053
MUR	2,439	-	16,933	-
GBP	2,668	-	-	-
CHF	645	-	666	-
	112,771	29,476	218,020	28,053

The following table illustrates principally the sensitivity of profit and equity with regards to the Company's financial assets and financial liabilities and the USD/EUR, USD/MUR, and USD/GBP exchange rate, "all other things being equal".

It assumes the following percentage changes in the exchange rates for the year ended 31 December 2021:

	2021 % change	2020 % change
USD/EUR	7%	9%
USD/MUR	9%	8%
USD/GBP	1%	-

These percentages have been determined based on the average market volatility in exchange rates in the previous 12 months. The sensitivity analysis is based on the Company's foreign currency financial instruments held at each reporting date.

If the USD had strengthened against EUR by 7% (2020: 9%) and MUR by 9% (2020: 8%) and GBP by 1% (2020: Nil) respectively, then this would have the following impact:

	Loss and equity	
	2021 USD	2020 USD
EUR	(6,353)	(14,123)
MUR	(220)	(1,355)
GBP	(27)	-

Warwyck Phoenix Securities Ltd

Notes to the financial statements

For the year ended 31 December 2021

4. Financial instrument risk (Contd)

Risk management objectives and policies (Contd)

4.1 Market risk analysis (Contd)

Foreign currency sensitivity (Contd)

If the USD had weakened against the EUR by 7% (2020: 9%) and MUR by 9% (2020: 8%) and GBP by 1% (2020: Nil) respectively, then this would have the following impact:

	Loss and equity	
	2021	2020
	USD	USD
EUR	6,353	14,123
MUR	220	1,355
GBP	27	-

Interest rate sensitivity

The Company's exposure to interest rate risk is limited to its bank balance and the interest thereon is based on market rates. At 31 December 2021, the bank balance stood at USD 61,278 (2020: USD 171,057) and no bank interest was earned during the financial year. Interest earned is based on the transaction that the Company enters into on the trading platforms.

4.2 Credit risk analysis

Credit risk is the risk that a counterparty fails to discharge an obligation to the Company. The Company's exposure to credit risk is limited to the carrying amounts of financial assets recognised at the reporting date, as summarised below:

	2021	2020
	USD	USD
Current assets		
Other receivables	51,493	46,963
Cash and cash equivalents	61,278	171,057
Total	112,771	218,020

The credit risk associated with other receivables is considered low since the Company transacts with a related company with good credit history.

The credit risk for the bank balances is considered negligible, since the counterparties are reputable banks.

The carrying amount of financial assets recorded in the financial statements represents the Company's maximum exposure to credit risk.

None of the above financial assets are secured by collateral or other credit enhancements.

Warwyck Phoenix Securities Ltd

Notes to the financial statements

For the year ended 31 December 2021

4. Financial instrument risk (Contd)

Risk management objectives and policies (Contd)

4.3 Liquidity risk analysis

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as and when they fall due. The Company's approach to managing liquidity risk is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Ultimate responsibility for liquidity risk management rests with the Board of Directors who also monitors the Company's short, medium, and long-term funding and liquidity management requirements.

The following are the contractual maturities of financial liabilities:

	Carrying amount	Contractual cash flows	Less than one year	More than one year
31 December 2021	USD	USD	USD	USD
Payables and accruals	29,476	29,476	29,476	-
31 December 2020	USD	USD	USD	USD
Payables and accruals	28,053	28,053	28,053	-

5. Fair value measurement

5.1. Fair value measurement of financial instruments

The Company's financial assets and financial liabilities are measured at their carrying amounts which approximate their fair values.

5.2 Fair value measurement of non-financial instruments

The Company's non-financial assets consist of prepayments and current tax assets, for which fair value measurement is not applicable since these are not measured at fair value on a recurring or non-recurring basis in the statement of financial position. At the reporting date, the Company did not have any non-financial liabilities.

6. Capital management policies and procedures

The Company's objectives when managing capital are to safeguard its ability to continue as a going concern in order to provide returns to its member.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid, buy back shares or issue new shares.

The Company monitors capital on the basis of the gearing ratio. The Company was not geared for the years 31 December 2020 and 31 December 2021.

Warwyck Phoenix Securities Ltd

Notes to the financial statements

For the year ended 31 December 2021

7. Other receivables

	2021	2020
	USD	USD
Due from a related party	51,493	46,963
Prepayments	4,474	4,258
Deposit	-	12,009
Total	55,967	63,230

The amount due from a related party relates to commissions receivable from normal business transactions and is interest free, unsecured and receivable on demand.

Management considers the probability of default to be close to zero for the amount due from a related party since the latter has strong capacity to meet its contractual obligations. As a result, no loss allowance has been recognised based on a 12 – months expected credit loss model.

The carrying amount of other receivables is considered as a reasonable approximation of the fair value.

8. Cash and cash equivalents

	2021	2020
	USD	USD
Cash at bank:		
USD	535	27,408
EUR	9,721	45,980
MUR	2,439	16,933
CHF	623	645
GBP	2,667	-
	15,985	90,966
Cash in Saxo Bank:		
USD	15,725	16,094
EUR	29,545	63,976
CHF	22	21
GBP	1	-
	45,293	80,091
Total	61,278	171,057

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For the year ended 31 December 2021

9. Stated capital

	2021	2020
	USD	USD
34,000 ordinary shares of USD 1 each	34,000	34,000

10. Payables and accruals

	2021	2020
	USD	USD
Accruals	29,476	28,053
Total	29,476	28,053

The carrying amount of payables and accruals is a reasonable approximation of the fair value.

11. Revenue

	2021	2020
	USD	USD
Commission on dealings	264,979	226,318
Commission from a related party	-	87,807
Total	264,979	314,125

12. Salaries and related costs

	2021	2020
	USD	USD
Wages and salaries	50,451	55,585
Social security and other related cost	15,353	16,326
Total	65,804	71,911
Number of employees	2	2

13. Shared expenses

Shared expenses are fees payable to a related party for accounting, compliance and other services.

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Notes to the financial statements

For the year ended 31 December 2021

14. Exchange fees

The exchange fees relate to fees paid to various global stock exchanges to provide trading access to these stock exchanges.

15. Retrocession

Retrocessions are fees paid to business introducers who bring in clients to the Company.

16. Net finance income

	2021	2020
	USD	USD
Finance income	19,584	69,319
Finance charge	(788)	(14,289)
Net Finance Income	18,796	55,030

17. Other expenses

Other expenses comprise of miscellaneous expenses such as bank charges, telephone expenses among others incurred during the year.

18. Taxation

(i) Income tax expense

The Company, being resident in Mauritius, is liable to income tax in Mauritius on its chargeable income at the rate of 15%. The Company has received its Category 1 Global Business Licence ("GBL1") on or before 16th October 2017 and is grandfathered under the provisions of the Finance (Miscellaneous Provisions) Act 2018 ("FA 2018"). As from 1st July 2021, the Company's GBL1 licence will be automatically converted to a Global Business Licence ("GBL"). The Company will therefore operate under the current tax regime up to 30th June 2021.

Until 30th June 2021, the Company's foreign sourced income was eligible for a foreign tax credit which was computed as the higher of the Mauritian tax and the foreign tax on the respective foreign sourced income. The foreign tax for a GBL1 company is based on either the actual foreign tax charged by the foreign jurisdiction or a deemed foreign tax. The deemed amount of foreign tax is based on 80% of the Mauritian tax on the relevant foreign sourced income. In computing its total actual foreign tax credit, the Company is allowed to pool all of its foreign sourced income. The Company's GBL1 licence was converted to a GBL licence on 1st July 2021 and the Company operates under the new tax regime. Under the new regime, the Company is able to claim an 80% partial exemption on specific types of income (including foreign dividends and interest), subject to meeting pre-defined substance conditions. Other types of income not falling within the categories of income benefitting from the partial exemption will be taxed at 15%. As an alternative to the partial exemption, the Company can claim a tax credit against its Mauritius tax liability based on the foreign tax charged on the income in the foreign jurisdiction.

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Notes to the financial statements

For the year ended 31 December 2021

18. Taxation (Contd)

The Company had no income tax asset as at 31 December 2021 (2020: USD 10,283).

Statement of financial position

	2021	2020
	USD	USD
At 01 January	(10,283)	(4,673)
Tax refunded during the year	10,283	-
Tax paid under APS	-	(5,610)
At 31 December	-	(10,283)

(ii) Income tax reconciliation

The tax on the Company's loss before tax differs from the theoretical amount that would arise using the basic tax rate of the Company as follows:

	2021	2020
	USD	USD
Loss before tax	(128,748)	(60,070)
Tax calculated at the rate 15%	(19,312)	(9,011)
Non-allowable expenses	500	223
Exempt income	-	(3,347)
Unutilised tax losses	18,812	2,427
Deemed tax credit	-	9,708
Tax expense	-	-

(iii) Deferred taxation

Deferred income tax is calculated on all temporary differences under the liability method and on tax losses at the rate of 15%. At 31 December 2021, the Company has not recognised a deferred tax asset of USD 80,896 relating to unutilised tax losses carried forward as taxable profit is not probable in the foreseeable future.

	2021	2020
	USD	USD
At 01 January	-	291
Movement for the year	-	(291)
At 31 December	-	-

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Notes to the financial statements

For the year ended 31 December 2021

19. Related party transactions

The nature, volume of transactions and the balances with the related parties are as follows:

Nature of relationship	Nature of transactions	Volume of transactions USD	Debit balance at 31 December 2021 USD	Debit balance at 31 December 2020 USD
Ultimate shareholders	Commission income	149	-	-
Common shareholding (Warwyck Phoenix PCC Ltd)	Commission income	4,199	-	-
Common shareholding (Companies own by ultimate shareholders)	Commission income	7,559	-	-
Related to the ultimate shareholders	Commission income	1,953	-	-
Common shareholding (Warwyck Private Bank Ltd)	Bank account	60,487	13,546	74,033
	Shared expenses	198,000	-	-
	Rent	62,100	-	-
Common shareholding (Warwyck Investments)	Commission Income (Note 7)	4,530	51,493	46,963

The transactions with the related parties are carried out at arm's length.

20. Holding company

The directors regard Warwyck Investment Holdings Ltd, a company incorporated in the Republic of Mauritius, as the Company's holding company.

21. Events after the reporting date

The Covid-19 outbreak has continued causing extensive disruptions to businesses around the globe and, on March 2021, Mauritius started its second nationwide lockdown.

With the ongoing war in Ukraine, the world economy is likely to be negatively impacted with the following effects on an increase in petrol prices, increase in commodity prices, high volatility in the forex market and disruption in international supply chain and logistics.

The directors are of the opinion that, at the time of publishing these financial statements, the extent of the impact of the above non-adjusting events cannot be measured and hence may have an impact on the future performance of the Company and as at date, there has been no major impact on the Company. No other events noted that may require any adjustments or disclosure to the financial statements for the year ended 31 December 2021.