

ANNUAL REPORT 2023



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PHOENIX SECURITIES LTD

Warwyck Phoenix Securities Ltd

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Warwyck Phoenix Securities Ltd

Corporate data

		Date appointed
Directors	: Hasan Miyan Roomiza Bhuwane Devika Chollet Vergé Loïc Roger Roland	11 September 2019 28 March 2022 20 November 2023
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 Ebène 72201 Republic of Mauritius	
Auditors	: Nexia Baker & Arenson Chartered Accountants 5th Floor, C&R Court 49 Labourdonnais Street Port Louis 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 Ebène 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 2023.

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 the statement of profit or loss and other comprehensive income and related notes.

No dividend was declared and paid during the year under review (2022: 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 these 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 (2022: USD Nil).

Directors remuneration

The directors' remuneration is detailed in the Corporate Governance Report.

External auditors

The external auditors, Nexia Baker & Arenson, have indicated their willingness to continue in office and a resolution concerning their re-appointment will be proposed at the Annual Meeting.

	2023	2022
	USD	USD
<u>Fees for audit services (VAT exclusive)</u>	6,500	6,500

Approved by the Board of Directors on 28.03.2024 and signed on its behalf by:

Obhawanee
Director

Hiya
Director

Warwyck Phoenix Securities Ltd

Corporate Governance Report for the year ended 31 December 2023

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 to operate as an Investment Dealer (Full Service Dealer, Excluding Underwriting) and as of 20th November 2023, the Company has also been granted a Class "M" Virtual Asset Broker Dealer Licence by the Financial Services Commission.

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 director 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. The Constitution of the Company does not have any clauses deemed material enough for specific disclosure on the website.

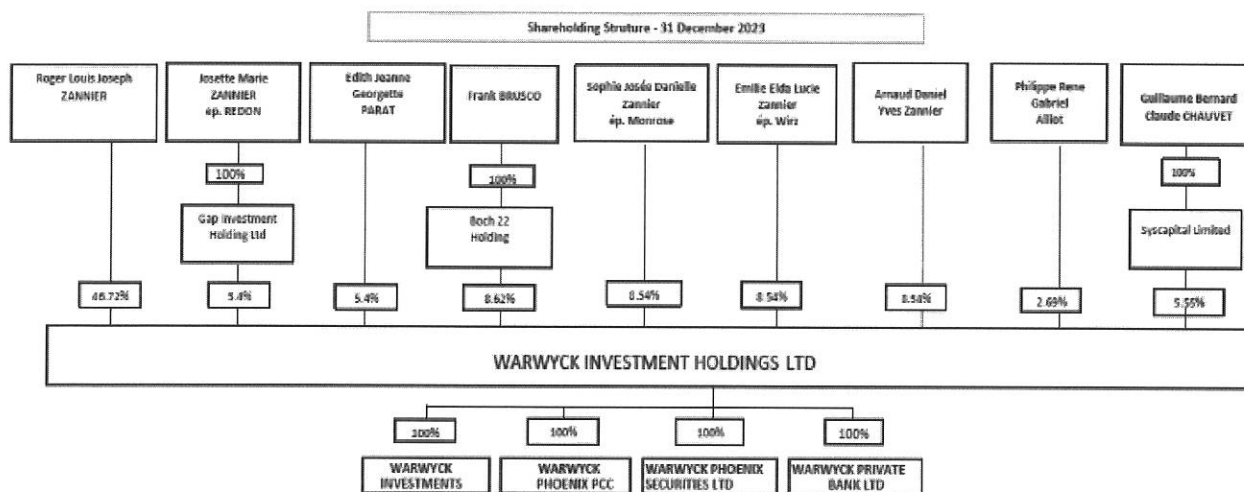
Warwyck Phoenix Securities Ltd

Corporate Governance Report for the year ended 31 December 2023 (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 2023, the stated capital of the Company stood at USD 364,000, represented by 364,000 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 3 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:

- Ms. Roomiza Hasan Miyan (appointed on 11 September 2019)
- Ms. Devika Bhuwancee (appointed on 28 March 2022)
- Mr. Loïc Roger Roland Chollet Vergé (appointed on 20 November 2023)

Warwyck Phoenix Securities Ltd

Corporate Governance Report for the year ended 31 December 2023 (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 Ms. Devika Bhuwanee as Chief Executive Officer ("CEO") of the Company on 28 March 2022. 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.

As of 31 December 2023, the Board had only one Executive Director and was considered to be adequate when compared to the size and turnover of the Company. The Board may consider appointment of additional Executive Director when deemed necessary.

2.2.3 Non-executive Directors

The Board had appointed one non-executive Director, Mr. Loïc Roger Roland Chollet Vergé on 20 November 2023 and was considered to be adequate when compared to the size and turnover of the Company.

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 2023 (Contd)

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

2.2 Board Composition (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
Ms. Devika Bhuwanee	Warwyck Phoenix Securities Ltd	Executive Director
Ms. Roomiza Hasan Miyan	Warwyck Phoenix Securities Ltd	Independent Director
	Accuance Ltd	Director
	MSIM Limited	Director
	Asea Brown Boveri Limited	Director
Mr. Loïc Roger Roland Chollet Vergé	Warwyck Private Bank Ltd	Executive Director
	Warwyck Phoenix Securities Ltd	Non-Executive Director

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 Chairperson and the Board in applying and implementing the principles of the Code with a view to enhancing long-term stakeholder’s value.

2.2.7 Board Diversity

During the year under review, there are two female directors on the board with the appropriate skills, knowledge and experience in the core business of the Company.

As at that date, the Board Composition consists of three (3) Board Members, one (1) male and two (2) female with the appropriate skills, knowledge and experience in the core business of the Company.

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 2023 (Contd)

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

2.3 Board meetings (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 2023:

Directors	Attendance at Board
Ms. Roomiza Hasan Miyan (appointed on 11 September 2019)	2/2
Ms. Devika Bhuwanee (appointed on 28 March 2022)	2/2
Mr. Loïc Roger Roland Chollet Vergé (appointed on 20 November 2023)	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

Ms. Roomiza Hasan Miyan – Age 43

Director – Independent

Date of appointment: 11 September 2019

Warwyck Phoenix Securities Ltd

Corporate Governance Report for the year ended 31 December 2023 (Contd)

Principle 3: Director appointment procedures: (Contd)

3.2 Directors' Profile (Contd)

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

Ms. Devika Bhuwanee - Age 32

Executive Director

Date of appointment: 28 March 2022

Ms. 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.

Ms. Bhuwanee 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, Ms. Bhuwanee joined Warwyck Phoenix PCC as Senior Fund Accountant and was, subsequently, appointed as Fund Manager and to the Board of Directors in August 2020.

Ms. Bhuwanee joined as board member of Warwyck Phoenix Securities Ltd in March 2022.

Directorship in other listed companies: none

Mr. Loïc Roger Roland Chollet Vergé - Age 47

Non - Executive Director

Date of appointment: 20 November 2023

Mr. Loïc Roger Roland Chollet Vergé has joined the board as Non-Executive Director on 20 November 2023.

After studying engineering at the Polytechnic Institute and UC Berkeley, Mr. Chollet-Vergé began his career as a finance auditor and consultant. He then worked at Natixis (BPCE group) for twelve years, during which he held various roles in advisory, international development, finance, and corporate banking.

In 2017, he became head of the Monaco branch of Caisse d'Épargne Côte d'Azur (BPCE Group). With more than twenty years of experience in finance, international management and banking, Mr. Chollet-Vergé was appointed Chief Executive Officer of Warwyck Private Bank Ltd in 2023.

Directorship in other listed companies: none

Warwyck Phoenix Securities Ltd

Corporate Governance Report for the year ended 31 December 2023 (Contd)

Principle 3: Director appointment procedures: (Contd)

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.

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 Mauritian 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.

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 2023 (Contd)

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

4.2 Code of ethics (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.

4.3 Conflict of interest, Interest register and related party transactions

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 Mauritian Companies Act 2001 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 Mauritian Companies Act 2001.

Related Party transactions

The related party transactions have been set out in note 20 of these financial statements.

4.4 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 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.

Warwyck Phoenix Securities Ltd

Corporate Governance Report for the year ended 31 December 2023 (Contd)

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

4.5 Board evaluation

No evaluation of the Board has been done for the year under review due to the size of the Board. To be in compliance with the requirements of the Code, the Board will consider performing an evaluation process once the size amplifies.

The directors of the Company are aware of their duties under the Mauritius Companies Act 2001 and exercise sufficient care, diligence, and skills for the good conduct of the business.

4.6 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.

4.7 Director’s Remuneration

The Board believes that the current remuneration policy is fair and reasonable having regards to the skills, knowledge and experience brought by the Directors to the Company.

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.

Independent Director’s remuneration

The independent director’s fee paid for the year ended 31 December 2023 amounted to USD 6,400.

Non-executive Director’s remuneration

No fees were paid to the non-executive director for the year ended 31 December 2023.

The non-executive director has also not received remuneration in the form of share options or bonuses associated with the performance of the organisation.

Executive Director’s 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.

Warwyck Phoenix Securities Ltd

Corporate Governance Report for the year ended 31 December 2023 (Contd)

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 SLA with WPBL 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 SLA 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.

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 Financial Risk

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 WPBL.

For any suspicious or illegal transactions or behaviour, officers and directors are encouraged to lodge reports promptly to the Money Laundering Officer as per the Financial Intelligence and Anti Money Laundering Act 2002 and Prevention of Corruption Act 2002.

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 Companies Act.

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.

Warwyck Phoenix Securities Ltd

Corporate Governance Report for the year ended 31 December 2023 (Contd)

Principle 6: Reporting with integrity: (Contd)

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.

Principle 7: Audit:

7.1 Internal Audit

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

More information on the internal audit function is given under Principle 5 and on page 14 of the Corporate Governance Report.

7.2 External Audit

Nexia Baker & Arenson was appointed as External Auditors of the Company through written resolution in replacement of Grant Thornton Ltd for the provision of audit services for the year ended 31 December 2022 and onwards.

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 Nexia Baker & Arenson 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.

Audit fees payable to Nexia Baker & Arenson for the year under review amounted to USD 7,475 (VAT inclusive).

Warwyck Phoenix Securities Ltd

Corporate Governance Report for the year ended 31 December 2023 (Contd)

Principle 8: Relations with Shareholders and other key stakeholders:

8.1 Shareholders' Agreement

There are no agreements in place between the Company and any Shareholders.

8.2 Employee Share Option Plan

The Company has no Employee Share Option Plan in place.

8.3 Third Party Management Agreement

Save and except for the SLA with WPBL, no agreement relating between third parties and the Company was entered during the year under review.

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.

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.

8.5 Key Stakeholders

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.

8.6 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 2023


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.
- There is only 1 (one) Executive Director on the board.

Principle 4: Director Duties, Remuneration and Performance:

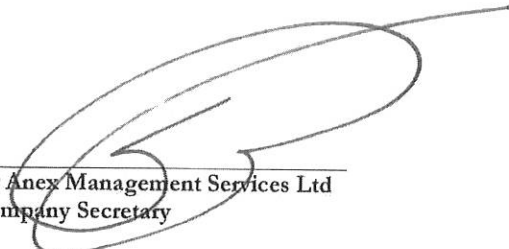
- No board evaluation has been conducted.


.....
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 2023.



for **Anex Management Services Ltd**
Company Secretary

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

Date: 28 MAR 2024

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF Warwyck Phoenix Securities Ltd

Report on the Financial Statements

Opinion

We have audited the financial statements of **Warwyck Phoenix Securities Ltd** (the "Company") set out on pages 22 to 44 which comprise the statement of financial position as at 31 December 2023, and 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 notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements give a true and fair view of the financial position of the Company as at 31 December 2023, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards ("IFRSs") and comply with the Mauritius Companies Act 2001.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing ("ISAs"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The directors are responsible for the other information. The other information comprises the Annual report, Corporate Governance Report, Statement of Compliance with Code of Corporate Governance and the Certificate from the Secretary. The other information does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, 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.

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, pursuant to section 75 of the Financial Reporting Act, complied with the requirements of the Code.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF Warwyck Phoenix Securities Ltd

Report on the Financial Statements (continued)

Directors' Responsibilities for the Financial Statements

The directors are responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs and in compliance with the requirements of the Mauritius Companies Act 2001, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intends to liquidate the Company or to cease operations, or has 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 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.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism 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 the directors.
- Conclude on the appropriateness of the directors' 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 auditor's 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 auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

INDEPENDENT AUDITOR'S REPORT**TO THE MEMBERS OF Warwyck Phoenix Securities Ltd****Report on the Financial Statements (continued)***Auditor's Responsibilities for the Audit of the Financial Statements (continued)*

- 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 the directors 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.

Use of this report

This report is made solely to the Company's members, 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 that we are required to state to the members 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.

Report on Other Legal and Regulatory Requirements*Mauritius Companies Act 2001*

We have no relationship with or interests in the Company other than in our capacity as auditors.

We have obtained all information and explanations we have required.

In our opinion, proper accounting records have been kept by the Company as far as it appears from our examination of those records.

**Nexia Baker & Arenson
Chartered Accountants****Ouma Shankar Ochit FCCA
Licensed by FRC****Date: 28 MAR 2024**

Warwyck Phoenix Securities Ltd

Statement of financial position as at 31 December 2023

	Notes	2023 USD	2022 USD
Assets			
Non current			
Intangible asset	7	242,923	297,919
Deferred tax asset		50,492	-
Non current assets		293,415	297,919
Current			
Other receivables and prepayments	8	14,599	4,144
Cash and cash equivalents	9	258,041	82,849
Current assets		272,640	86,993
Total assets		566,055	384,912
Equity and liability			
Equity			
Stated capital	10	364,000	364,000
Revenue deficits		(41,557)	(151,468)
Total equity		322,443	212,532
Liability			
Current			
Payables and accruals	11	243,612	172,380
Current liability		243,612	172,380
Total equity and liability		566,055	384,912

These financial statements have been approved for issue by the Board of Directors on 28.03.2024
and signed on its behalf by:

Bhuvaneer
Director

Hijar
Director

The notes on pages 26 to 44 form an integral part of these financial statements.

Warwyck Phoenix Securities Ltd

Statement of profit or loss and other comprehensive income for the year ended 31 December 2023

	Notes	2023 USD	2022 USD
Revenue			
Commission income	12	230,290	88,207
Expenditure			
Shared expenses	14	84,000	84,000
Rent		62,100	62,100
Salaries and related costs	13	57,885	52,489
Amortisation of intangible asset	7	54,996	32,081
Professional fees		38,447	27,855
Exchange fees	15	21,297	21,487
IT expense		19,355	13,385
Licences and permits		6,998	5,813
Other expenses	18	4,082	3,003
Insurances		2,438	3,028
Retrocession	16	170	12,349
Total expenditure		351,768	317,590
Operating loss		(121,478)	(229,383)
Net foreign exchange losses		(3,249)	(5,861)
Net finance income	17	184,146	30,007
Profit/(loss) before tax		59,419	(205,237)
Tax credit	19	50,492	-
Profit/(loss) for the year		109,911	(205,237)
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/(loss) for the year		109,911	(205,237)

The notes on pages 26 to 44 form an integral part of these financial statements.

Warwyck Phoenix Securities Ltd

Statement of changes in equity for the year ended 31 December 2023

	Stated capital	(Revenue deficits)/retained earnings	Total
	USD	USD	USD
At 01 January 2023	364,000	(151,468)	212,532
Profit for the year	-	109,911	109,911
Other comprehensive income	-	-	-
Total comprehensive income for the year	-	109,911	109,911
At 31 December 2023	364,000	(41,557)	322,443
At 01 January 2022	34,000	53,769	87,769
Issue of shares (note 10)	330,000	-	330,000
Transaction with the shareholders	330,000	-	330,000
Loss for the year	-	(205,237)	(205,237)
Other comprehensive income	-	-	-
Total comprehensive loss for the year	-	(205,237)	(205,237)
At 31 December 2022	364,000	(151,468)	212,532

The notes on pages 26 to 44 form an integral part of these financial statements.

Warwyck Phoenix Securities Ltd

Statement of cash flows for the year ended 31 December 2023

	Notes	2023 USD	2022 USD
Operating activities			
Profit/(loss) before tax		59,419	(205,237)
<i>Adjustments:</i>			
Amortisation of intangible assets	7	54,996	32,081
Interest income	17	(348,003)	(33,446)
Interest expense	17	163,857	3,439
Total adjustments		(129,150)	2,074
<i>Net changes in working capital:</i>			
Change in other receivables and prepayments		(10,455)	51,823
Change in payables and accruals		71,232	142,904
Total changes in working capital		60,777	194,727
Net cash used in operating activities		(8,954)	(8,436)
Investing activity			
Interest received		348,003	33,446
Net cash generated from investing activity		348,003	33,446
Financing activity			
Interest paid		(163,857)	(3,439)
Net cash flow used in financing activity		(163,857)	(3,439)
Net change in cash and cash equivalents		175,192	21,571
Cash and cash equivalents at the beginning of the year		82,849	61,278
Cash and cash equivalents at the end of the year		258,041	82,849
Cash and cash equivalents for the purpose of the statement of cash flows is made up of:			
Cash at bank		158,943	82,849
Treasury bills		99,098	-
Total (Note 9)		258,041	82,849

The notes on pages 26 to 44 form an integral part of these financial statements.

Warwyck Phoenix Securities Ltd

Notes to the financial statements

For the year ended 31 December 2023

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 is licensed to operate as an Investment Dealer (Full Service Dealer, Excluding Underwriting) and as of 20th November 2023, the Company has also been granted a Class "M" Virtual Asset Broker Dealer Licence 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 Standards, Amendments to published Standards and Interpretations effective in the reporting period

The following standards and interpretations apply for the first time to financial reporting periods commencing on or after 01 January 2023.

IFRS 17 Insurance Contracts - IFRS 17 was issued in May 2017 as replacement for IFRS 4 Insurance Contracts. It requires a current measurement model where estimates are remeasured in each reporting period. Contracts are measured using the building blocks of:

- discounted probability-weighted cash flows,
- an explicit risk adjustment, and
- a contractual service margin (CSM) representing the unearned profit of the contract which is recognised as revenue over the coverage period.

The standard has no impact on Company’s financial statements.

Disclosure of Accounting Policies – Amendments to IAS 1 and IFRS Practice Statement 2

The amendments have no impact on the Company’s financial statements.

Definition of Accounting Estimates – Amendments to IAS 8

The amendment to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors clarifies how companies should distinguish changes in accounting policies from changes in accounting estimates. The distinction is important, because changes in accounting estimates are applied prospectively to future transactions and other future events, whereas changes in accounting policies generally applied retrospectively to past transactions and other past events as well as the current period.

The amendments have no impact on the Company’s financial statements.

Warwyck Phoenix Securities Ltd

Notes to the financial statements

For the year ended 31 December 2023

2. Application of new and revised IFRS (Contd)

2.1 Standards, Amendments to published Standards and Interpretations effective in the reporting period (continued)

Deferred Tax related to Assets and Liabilities arising from a Single Transaction – Amendments to IAS 12. The amendments to IAS 12 Income Taxes require companies to recognise deferred tax on transactions that, on initial recognition, give rise to equal amounts of taxable and deductible temporary differences, and will require the recognition of additional deferred tax assets and liabilities.

The amendment should be applied to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, entities should recognise deferred tax assets (to the extent that it is probable that they can be utilised) and deferred tax liabilities at the beginning of the earliest comparative period for all deductible and taxable temporary differences associated with:

- right-of-use assets and lease liabilities, and
- decommissioning, restoration and similar liabilities, and the corresponding amounts recognised as part of the cost of the related assets.

The amendments have no impact on the Company's financial statements.

OECD Pillar Two Rules - In December 2021, the Organisation for Economic Co-operation and Development (OECD) released the Pillar Two model rules (the Global Anti-Base Erosion Proposal, or 'GloBE') to reform international corporate taxation. Large multinational enterprises within the scope of the rules are required to calculate their GloBE effective tax rate for each jurisdiction where they operate. They will be liable to pay a top-up tax for the difference between their GloBE effective tax rate per jurisdiction and the 15% minimum rate.

The amendments have no impact on the Company's financial statements.

2.2 Standards, Amendments to published Standards and Interpretations issued but not yet effective

Certain standards, amendments to published standards and interpretations have been issued that are mandatory for accounting periods beginning on or after 1 January 2024 or later periods, but which the Company have not early adopted.

At the reporting date of these financial statements, the following were in issue but not yet effective:

- Lease Liability in a Sale and Leaseback - Amendments to IFRS 16.
- Supplier finance arrangements - Amendments to IAS 7 and IFRS 7.
- Sale or contribution of assets between an investor and its associate or joint venture – Amendments to IFRS 10 and IAS 28.
- Classification of liabilities as current or non-current liabilities with covenants – Amendments to IAS 1.
- IFRS Sustainability Disclosure Standards - IFRS S1 and IFRS S2 are effective for annual reporting periods beginning on or after 1 January 2024, with early adoption permitted. This is subject to the adoption of the standards by local jurisdictions.

Where relevant, the Company is still evaluating the effect of these Standards, Amendments to published Standards and Interpretations issued but not yet effective, on the presentation of its financial statements.

Warwyck Phoenix Securities Ltd

Notes to the financial statements

For the year ended 31 December 2023

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.

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.

Warwyck Phoenix Securities Ltd

Notes to the financial statements

For the year ended 31 December 2023

3. Summary of accounting policies (Contd)

3.2 Financial instruments (Contd)

Classification and subsequent measurement of financial assets (Contd)

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.

'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.

Warwyck Phoenix Securities Ltd

Notes to the financial statements

For the year ended 31 December 2023

3. Summary of accounting policies (Contd)

3.2 Financial instruments (Contd)

Classification and subsequent measurement of financial liabilities

The Company's financial liability includes 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.

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.

Warwyck Phoenix Securities Ltd

Notes to the financial statements

For the year ended 31 December 2023

3. Summary of accounting policies (Contd)**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 2023

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 2023

3. Summary of accounting policies (Contd)

3.13 Intangible asset

Intangible asset is amortised over its estimated useful life on a straight line basis commencing from the year in which asset is available to the Company for its use. The management estimated useful life for the intangible asset is as follows:

Computer Software	16.67%
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3.14 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.

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.

Warwyck Phoenix Securities Ltd

Notes to the financial statements

For the year ended 31 December 2023

3. Summary of accounting policies (Contd)

3.14 Significant management judgements in applying accounting policies and estimation uncertainty (continued)

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.

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	2023	2022
	USD	USD
Current		
Other receivables*	9,247	47
Cash and cash equivalents	258,041	82,849
Total financial assets	267,288	82,896

**Other receivables exclude prepayments*

Financial liability at amortised cost	2023	2022
	USD	USD
Current		
Payables and accruals	243,612	172,380
Total financial liability	243,612	172,380

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 2023

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 2023 USD	Financial liabilities 2023 USD	Financial assets 2022 USD	Financial liabilities 2022 USD
EUR	71,799	19,944	34,073	21,817
USD	163,540	219,556	31,786	146,451
MUR	24,833	4,112	14,002	4,112
GBP	7,111	-	2,395	-
CHF	-	-	640	-
ZAR	5	-	-	-
	267,288	243,612	82,896	172,380

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 2023:

	2023 % change	2022 % change
USD/EUR	4%	6%
USD/MUR	1%	1%
USD/GBP	6%	11%

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 6% (2022: 6%), MUR by 1% (2022: 1%) and GBP by 11% (2022: 11%) respectively, then this would have the following impact:

	Loss and equity	
	2023 USD	2022 USD
EUR	(3,111)	(735)
MUR	(207)	(99)
GBP	(782)	(263)

Warwyck Phoenix Securities Ltd

Notes to the financial statements

For the year ended 31 December 2023

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 4% (2022: 6%) and MUR by 1% (2022: 1%) and GBP by 6% (2022: 11%) respectively, then this would have the following impact:

	Loss and equity	
	2023	2022
	USD	USD
EUR	3,111	735
MUR	207	99
GBP	782	263

Interest rate sensitivity

The Company's exposure to interest rate risk includes those relating to its bank balances and the interest thereon is based on market rates. At 31 December 2023, the bank balance stood at USD 258,041 (2022: USD 82,849).

In 2023, the Company generated interest income from short-term fixed deposits, typically held for durations of one week to one month. Additionally, interest earnings accrued from cash balances on its trading platform were based on Net Free Equity (NFE), calculated as the difference between cash balance and margin requirements, adjusted for open profit/loss positions.

As at 31 December 2023, the Company held U.S. Treasury bills with maturities of less than 90 days, traditionally regarded as low-risk assets. These instruments remain subject to interest rate risk since fluctuations in interest rates impact their market value.

These interest-generating activities reflect the company's diversified approach to optimising returns on available funds while managing interest rate sensitivities.

Warwyck Phoenix Securities Ltd

Notes to the financial statements

For the year ended 31 December 2023

4. Financial instrument risk (Contd)

Risk management objectives and policies (Contd)

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:

	2023	2022
	USD	USD
Current assets		
Other receivables	9,247	47
Cash and cash equivalents	258,041	82,849
Total	267,288	82,896

The credit risk for the bank balances and short-term treasury bills are considered negligible since the counterparties are reputable banks and/or parties.

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.

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:

31 December 2023	Carrying amount USD	Contractual cash flows USD	Less than one year USD	More than one year USD
Payables and accruals	243,612	243,612	243,612	-

31 December 2022	Carrying amount USD	Contractual cash flows USD	Less than one year USD	More than one year USD
Payables and accruals	172,380	172,380	172,380	-

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Notes to the financial statements

For the year ended 31 December 2023

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 asset consists of prepayments, 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 2022 and 31 December 2023.

7. Intangible asset

	2023	2022
	USD	USD
Computer software		
Cost		
At 01 January	330,000	-
Additions during the year	-	330,000
At 31 December	330,000	330,000
Amortisation		
At 01 January	32,081	-
Charge for the year	54,996	32,081
At 31 December	87,077	32,081
Net book value		
At 31 December	242,923	297,919

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Notes to the financial statements

For the year ended 31 December 2023

8. Other receivables and prepayments

	2023	2022
	USD	USD
Due from a related party (see note 20)	8,147	-
Prepayments	5,352	4,097
Other receivables	1,100	47
Total	14,599	4,144

The amount due from a related party relates to commissions receivable from normal business transactions and was interest free and unsecured.

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

9. Cash and cash equivalents

	2023	2022
	USD	USD
Cash with banks in Mauritius:		
USD	47,427	12,429
EUR	34,092	8,273
MUR	24,337	13,955
CHF	-	617
GBP	6,963	2,381
	112,819	37,655
Cash with a foreign bank:		
USD	15,015	19,357
EUR	30,982	25,800
CHF	-	23
GBP	122	14
ZAR	5	-
	46,124	45,194
Short term treasury bills	99,098	-
Total	258,041	82,849

Warwyck Phoenix Securities Ltd

Notes to the financial statements

For the year ended 31 December 2023

10. Stated capital

	2023	2022
	USD	USD
At 01 January	364,000	34,000
Issue of new ordinary shares	-	330,000
At 31 December	364,000	364,000

364,000 ordinary shares of USD 1 each (2022: 364,000 ordinary shares of USD 1 each)

11. Payables and accruals

	2023	2022
	USD	USD
Payables to related parties (see note 20)	228,140	154,980
Other payables and accruals	15,472	17,400
Total	243,612	172,380

Payables to related parties are interest free, unsecured and payable on demand.

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

12. Revenue

	2023	2022
	USD	USD
Commission on dealings	230,290	88,207

13. Salaries and related costs

	2023	2022
	USD	USD
Wages and salaries	42,533	39,304
Social security and other related cost	15,352	13,185
Total	57,885	52,489

Number of employees	2	2
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14. Shared expenses

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

Warwyck Phoenix Securities Ltd

Notes to the financial statements

For the year ended 31 December 2023

15. Exchange fees

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

16. Retrocession

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

17. Net finance income

	2023	2022
	USD	USD
Finance income	348,003	33,446
Finance charge	(163,857)	(3,439)
Net finance income	184,146	30,007

18. Other expenses

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

19. 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 2023

19. Taxation (Contd)

(i) Income tax expense (Contd)

The Company had no tax liability as at 31 December 2023 (2022: USD Nil).

Statement of profit or loss and other comprehensive income

	2023	2022
	USD	USD
Movement in deferred taxation (note 19 (iii) (b))	50,492	-
Income tax credit	50,492	-

Statement of financial position

	2023	2022
	USD	USD
At 01 January	-	-
Tax refunded during the year	-	-
At 31 December	-	-

(ii) Income tax reconciliation

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

	2023	2022
	USD	USD
Profit/(loss) before tax	59,419	(205,237)
Tax calculated at the rate 15% (2022: 15%)	8,913	(30,786)
Non-allowable expenses	10,425	4,998
Exempt income	(12,409)	(24,750)
Adjustment on deferred tax	(50,492)	-
Deferred tax asset not recognised on tax losses	-	50,538
Utilisation of prior year tax losses	(6,929)	-
Tax credit	(50,492)	-

(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%.

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Notes to the financial statements

For the year ended 31 December 2023

19. Taxation (Contd)
(iii) Deferred taxation (Contd)

- a) There is a legally enforceable right to offset current tax assets against current tax liabilities and deferred income tax assets and liabilities when the deferred income taxes relate to the same fiscal authority on the same entity. The following amounts are shown in the statement of financial position:

	2023	2022
	USD	USD
Deferred tax assets	74,555	-
Deferred tax liabilities	(24,063)	-
Net deferred income tax assets	50,492	-

At the end of the reporting period, the Company had unused tax losses of **USD 497,036** (2022: USD 543,226) available for offset against future profits. A deferred tax asset of USD 74,555 has been recognised in respect of such losses. The tax losses expire on a rolling basis over 5 years. As at 31 December 2022, the Company did not recognise any deferred tax assets relating to unutilised tax losses carried forward as taxable profit was not probable in the foreseeable future at that time.

- b) The movement on the deferred income tax account is as follows:

	2023	2022
	USD	USD
At 01 January	-	-
(Credited)/charged to profit or loss (note 19 (i))	(50,492)	-
At 31 December	(50,492)	-

- c) The movement in deferred tax assets and liabilities during the year, without taking into consideration the offsetting of balances within the same fiscal authority, is as follows:

	Accelerated tax depreciation	Total
	USD	USD
Deferred tax liabilities		
At 01 January 2023	-	-
Charged to profit or loss	24,063	24,063
At 31 December 2023	24,063	24,063

	Tax losses	Total
	USD	USD
Deferred tax assets		
At 01 January 2023	-	-
Credited to profit or loss	74,555	74,555
At 31 December 2023	74,555	74,555

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Notes to the financial statements

For the year ended 31 December 2023

20. 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	Balance at 31 December 2023 USD	Balance at 31 December 2022 USD
Ultimate shareholders	Commission income	33,958	-	-
Common shareholding (Warwyck Phoenix PCC)	Commission income	12,413	-	-
	Accounts receivables	8,147	8,147	-
Related to the ultimate shareholders	Retrocession fees payable	(8,432)	-	8,432
Common shareholding (Warwyck Private Bank Ltd)	Bank account	64,622	88,322	23,700
	Account payable	76,237	209,400	133,163
	Shared expenses	84,000	-	-
	Rent	62,100	-	-
Parent company	Payable	5,355	18,740	13,385

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

21. Holding company

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

22. Events after the reporting date

In January 2024, the Company issued additional 66,845 ordinary shares of USD 1 to its holding company, Warwyck Investment Holdings Ltd.

No other events noted that may require any adjustments or disclosure to the financial statements for the year ended 31 December 2023.