

Company Registration No. 02489639 (England and Wales)

R C Brown Investment Management PLC

**Annual report and
group financial statements
for the year ended 31 March 2022**

R C Brown Investment Management PLC

Company information

Directors	Robert Brown Oliver Brown Alan Beaney Glenn Meyer Neil Whelan
Secretary	Oliver Brown
Company number	02489639
Registered office	1 The Square Temple Quay Bristol BS1 6DG
Independent auditor	Saffery Champness LLP St Catherine's Court Berkeley Place Clifton Bristol BS8 1BQ
Bankers	National Westminster Bank plc 32 Corn Street Bristol BS1 1HQ

R C Brown Investment Management PLC

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R C Brown Investment Management PLC

Strategic report

For the year ended 31 March 2022

The directors present the strategic report for the year ended 31 March 2022.

Fair review of the business

The group has continued to concentrate on the expansion of its private client business during the year.

The parent company, R C Brown Investment Management PLC acquired in December 2019 a firm of Independent Financial Advisers trading under the names of Portcullis Financial Planning Limited and Portcullis Portfolios Limited. Following the acquisition, Portcullis Portfolios Limited was dissolved on 15 December 2020.

During the year the Group achieved turnover of £2,298,615 and resulted in an operating profit of £345,506(2021 : £ 27,432). The Balance Sheet remains stable with net assets of £1,916,341 (2021: £1,611,962).

The company continues to increase client numbers and provide back office facilities to third parties. The directors are confident of making further progress in the coming year.

Our financial position remains strong and the business well diversified.

Principal risks and uncertainties

Liquidity risk: Cash flow forecasts are used to ensure the company has sufficient liquid resources to meet its operating needs.

Credit risk: Surplus cash is invested in listed investments and receivables balances are monitored on a regular basis.

The Pillar 3 Disclosure Statement under the Capital Requirements Directive can be found on the Company's website at www.rcbim.co.uk.

On behalf of the board

Oliver Brown
Director

21 July 2022

R C Brown Investment Management PLC

Directors' report

For the year ended 31 March 2022

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

Principal activities

The principal activity of the company and Group continued to be that of investment management, administration of private clients, charities, OEICs, pension funds and trusts.

Results and dividends

The results for the year are set out on page 8.

Ordinary dividends were paid amounting to £79,227. The directors do not recommend payment of a further dividend.

Directors

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

Robert Brown
Oliver Brown
Alan Beaney
Glenn Meyer
Neil Whelan

Auditor

Saffery Champness LLP have expressed their willingness to continue in office.

Directors' report (continued)
For the year ended 31 March 2022

Statement of directors' responsibilities

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and company, and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to:

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

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

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the auditor of the company is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the auditor of the company is aware of that information.

On behalf of the board

Oliver Brown
Director

21 July 2022

R C Brown Investment Management PLC

Independent auditor's report

To the members of R C Brown Investment Management PLC

Opinion

We have audited the financial statements of R C Brown Investment Management PLC (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 March 2022 which comprise the group statement of comprehensive income, the group statement of financial position, the company statement of financial position, the group statement of changes in equity, the company statement of changes in equity, the group statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group and of the parent company's affairs as at 31 March 2022 and of the group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Independent auditor's report (continued)

To the members of R C Brown Investment Management PLC

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's 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.

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

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

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

Responsibilities of directors

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

Independent auditor's report (continued)

To the members of R C Brown Investment Management PLC

Auditor's responsibilities for the audit of the financial statements

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

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

Identifying and assessing risks related to irregularities:

We assessed the susceptibility of the group and parent company's financial statements to material misstatement and how fraud might occur, including through discussions with the directors, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the group and parent company by discussions with directors and by updating our understanding of the sector in which the group and parent company operates.

Laws and regulations of direct significance in the context of the group and parent company include The Companies Act 2006, FCA regulations and UK Tax legislation.

Audit response to risks identified

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of group and parent company financial statement disclosures. We reviewed the parent company's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the parent company's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

R C Brown Investment Management PLC

Independent auditor's report (continued)

To the members of R C Brown Investment Management PLC

As group auditors, our assessment of matters relating to non-compliance with laws or regulations and fraud differed at group and component level according to their particular circumstances. Our communications included a request to identify instances of non-compliance with laws and regulations and fraud that could give rise to a material misstatement of the group financial statements in addition to our risk assessment.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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

Use of our report

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

Michael Strong (Senior Statutory Auditor)
For and on behalf of Saffery Champness LLP

25 July 2022

Chartered Accountants
Statutory Auditors

St Catherine's Court
Berkeley Place
Clifton
Bristol
BS8 1BQ

R C Brown Investment Management PLC

Group statement of comprehensive income
For the year ended 31 March 2022

	Notes	2022 £	2021 £
Turnover	3	2,298,615	1,586,334
Cost of sales		(557,115)	(435,215)
Gross profit		1,741,500	1,151,119
Administrative expenses		(1,407,046)	(1,149,283)
Other operating income		11,052	25,596
Operating profit	4	345,506	27,432
Interest receivable and similar income	8	10,309	12,997
Other gains and losses	9	31,111	154,688
Profit before taxation		386,926	195,117
Tax on profit	10	(10,320)	(53,478)
Profit for the financial year		376,606	141,639
Profit for the financial year is attributable to:			
- Owners of the parent company		373,387	141,639
- Non-controlling interests		3,219	-
		376,606	141,639
Total comprehensive income for the year is attributable to:			
- Owners of the parent company		373,387	141,639
- Non-controlling interests		3,219	-
		376,606	141,639

R C Brown Investment Management PLC

Group statement of financial position

As at 31 March 2022

	Notes	£	2022 £	2021 £
Fixed assets				
Goodwill	12		691,155	731,176
Tangible assets	13		6,147	7,264
Investments	14		469,285	565,402
			<u>1,166,587</u>	<u>1,303,842</u>
Current assets				
Debtors	17	304,021		304,433
Cash at bank and in hand		1,144,618		601,576
		<u>1,448,639</u>		<u>906,009</u>
Creditors: amounts falling due within one year	18	(621,162)		(510,647)
		<u></u>		<u></u>
Net current assets			827,477	395,362
			<u></u>	<u></u>
Total assets less current liabilities			1,994,064	1,699,204
			<u></u>	<u></u>
Creditors: amounts falling due after more than one year	19		(39,356)	(50,000)
			<u></u>	<u></u>
Provisions for liabilities				
Deferred tax liability	21	38,367		37,242
		<u></u>	(38,367)	<u>(37,242)</u>
Net assets			<u>1,916,341</u>	<u>1,611,962</u>
			<u></u>	<u></u>
Capital and reserves				
Called up share capital	24		152,360	151,360
Share premium account			763,945	757,945
Capital redemption reserve			43,463	43,463
Profit and loss reserves			951,808	659,194
			<u></u>	<u></u>
Equity attributable to owners of the parent company			1,911,576	1,611,962
Non-controlling interests			4,765	-
			<u>1,916,341</u>	<u>1,611,962</u>
			<u></u>	<u></u>

R C Brown Investment Management PLC

Group statement of financial position (continued)

As at 31 March 2022

The financial statements were approved by the board of directors and authorised for issue on 21 July 2022 and are signed on its behalf by:

Oliver Brown

Director

R C Brown Investment Management PLC

**Company statement of financial position
As at 31 March 2022**

			2022		2021
	Notes	£	£	£	£
Fixed assets					
Tangible assets	13		6,147		7,264
Investments	14		1,443,299		1,492,709
			<u>1,449,446</u>		<u>1,499,973</u>
Current assets					
Debtors	17	297,771		310,867	
Cash at bank and in hand		1,022,422		506,745	
		<u>1,320,193</u>		<u>817,612</u>	
Creditors: amounts falling due within one year	18	(579,724)		(481,386)	
Net current assets			<u>740,469</u>		<u>336,226</u>
Total assets less current liabilities			<u>2,189,915</u>		<u>1,836,199</u>
Provisions for liabilities					
Deferred tax liability	21	38,367		37,242	
		<u>(38,367)</u>		<u>(37,242)</u>	
Net assets			<u><u>2,151,548</u></u>		<u><u>1,798,957</u></u>
Capital and reserves					
Called up share capital	24		152,360		151,360
Share premium account			763,945		757,945
Capital redemption reserve			43,463		43,463
Profit and loss reserves			1,191,780		846,189
Total equity			<u><u>2,151,548</u></u>		<u><u>1,798,957</u></u>

As permitted by s408 Companies Act 2006, the company has not presented its own profit and loss account and related notes. The company's profit for the year was £424,818 (2021 - £238,902 profit).

R C Brown Investment Management PLC

Company statement of financial position (continued)

As at 31 March 2022

The financial statements were approved by the board of directors and authorised for issue on 21 July 2022 and are signed on its behalf by:

Oliver Brown

Director

Company Registration No. 02489639

R C Brown Investment Management PLC

Group statement of changes in equity
For the year ended 31 March 2022

	Share capital	Share premium account	Capital redemption reserve	Profit and loss reserves	Total controlling interest	Non-controlling interest	Total
Notes	£	£	£	£	£	£	£
Balance at 1 April 2020	149,900	749,185	43,463	517,555	1,460,103	-	1,460,103
Year ended 31 March 2021:							
Profit and total comprehensive income for the year	-	-	-	141,639	141,639	-	141,639
Issue of share capital	24 1,460	8,760	-	-	10,220	-	10,220
Balance at 31 March 2021	151,360	757,945	43,463	659,194	1,611,962	-	1,611,962
Year ended 31 March 2022:							
Profit and total comprehensive income for the year	24 -	-	-	373,387	373,387	3,219	376,606
Issue of share capital	24 1,000	6,000	-	-	7,000	-	7,000
Dividends	11 -	-	-	(79,227)	(79,227)	-	(79,227)
Disposal of shares in subsidiary to non-controlling interest	-	-	-	(1,546)	(1,546)	1,546	-
Balance at 31 March 2022	152,360	763,945	43,463	951,808	1,911,576	4,765	1,916,341

R C Brown Investment Management PLC

Company statement of changes in equity
For the year ended 31 March 2022

	Notes	Share capital £	Share premium account £	Capital redemption reserve £	Profit and loss reserves £	Total £
Balance at 1 April 2020		149,900	749,185	43,463	607,287	1,549,835
Year ended 31 March 2021:						
Profit and total comprehensive income for the year		-	-	-	238,902	238,902
Issue of share capital	24	1,460	8,760	-	-	10,220
Balance at 31 March 2021		151,360	757,945	43,463	846,189	1,798,957
Year ended 31 March 2022:						
Profit and total comprehensive income for the year		-	-	-	424,818	424,818
Issue of share capital	24	1,000	6,000	-	-	7,000
Dividends	11	-	-	-	(79,227)	(79,227)
Balance at 31 March 2022		152,360	763,945	43,463	1,191,780	2,151,548

R C Brown Investment Management PLC

Group statement of cash flows
For the year ended 31 March 2022

		2022	2021
	Notes	£	£
Cash flows from operating activities			
Cash generated from operations	29	716,897	136,416
Income taxes paid		(22,811)	(29,435)
Net cash inflow from operating activities		694,086	106,981
Investing activities			
Purchase of tangible fixed assets		(2,078)	(9,066)
Purchase of subsidiaries		(206,568)	(168,179)
Proceeds on disposal of investments		119,520	-
Interest received		82	269
Dividends received		10,227	12,728
Net cash used in investing activities		(78,817)	(164,248)
Financing activities			
Proceeds from issue of shares		7,000	10,220
Repayment of bank loans		-	50,000
Dividends paid to equity shareholders		(79,227)	-
Net cash (used in)/generated from financing activities		(72,227)	60,220
Net increase in cash and cash equivalents		543,042	2,953
Cash and cash equivalents at beginning of year		601,576	598,623
Cash and cash equivalents at end of year		1,144,618	601,576

1 Accounting policies

Company information

R C Brown Investment Management PLC ("the company") is a private company limited by shares incorporated in England and Wales. The registered office is 1 The Square, Temple Quay, Bristol, BS1 6DG.

The group consists of R C Brown Investment Management PLC and all of its subsidiaries.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

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

The financial statements have been prepared under the historical cost convention, modified to include certain financial instruments at fair value. The principal accounting policies adopted are set out below.

The company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements for parent company information presented within the consolidated financial statements:

- Section 7 'Statement of Cash Flows': Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues: Interest income/expense and net gains/losses for financial instruments not measured at fair value; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 26 'Share based Payment': Share-based payment expense charged to profit or loss, reconciliation of opening and closing number and weighted average exercise price of share options, how the fair value of options granted was measured, measurement and carrying amount of liabilities for cash-settled share-based payments, explanation of modifications to arrangements;
- Section 33 'Related Party Disclosures': Compensation for key management personnel.

Notes to the group financial statements (continued)
For the year ended 31 March 2022

1 Accounting policies (continued)

1.2 Business combinations

In the parent company financial statements, the cost of a business combination is the fair value at the acquisition date of the assets given, equity instruments issued and liabilities incurred or assumed, plus costs directly attributable to the business combination. The excess of the cost of a business combination over the fair value of the identifiable assets, liabilities and contingent liabilities acquired is recognised as goodwill. The cost of the combination includes the estimated amount of contingent consideration that is probable and can be measured reliably, and is adjusted for changes in contingent consideration after the acquisition date. Provisional fair values recognised for business combinations in previous periods are adjusted retrospectively for final fair values determined in the 12 month following the acquisition date. Investments in subsidiaries, joint ventures and associates are accounted for at cost less impairment.

1.3 Basis of consolidation

The consolidated group financial statements consist of the financial statements of the parent company R C Brown Investment Management PLC together with all entities controlled by the parent company (its subsidiaries) and the group's share of its interests in joint ventures and associates.

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

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Portcullis Financial Planning Limited has been included in the group financial statements using the purchase method of accounting. The purchase consideration has been allocated to the assets and liabilities on the basis of fair value at the date of acquisition.

1.4 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.5 Turnover

Turnover represents the amount receivable in respect of investment management, the provision of back office services and investment advice to funds managed.

1.6 Research and development expenditure

Research expenditure is written off against profits in the year in which it is incurred. Identifiable development expenditure is capitalised to the extent that the technical, commercial and financial feasibility can be demonstrated.

1 Accounting policies (continued)

1.7 Intangible fixed assets - goodwill

Goodwill arising on the acquisition of Portcullis Financial Planning Limited and Portcullis Portfolios Limited represents the excess of the fair value of the consideration over the fair value of the identifiable assets and liabilities acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite useful life and is amortised on a systematic basis over its expected life, which is 10 years.

1.8 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

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

Fixtures and fittings	over 3 to 4 years on a straight line basis
Computers	over 3 years on a straight line basis

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

1.9 Fixed asset investments

Listed investments are initially measured at fair value and subsequently remeasured to fair value at each financial reporting date in accordance with section 11.14 of FRS 102. Deferred tax is recognised based on the difference in fair value and the tax base of each investment.

Interests in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in the profit and loss account.

A subsidiary is an entity controlled by the group. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

1 Accounting policies (continued)

1.10 Impairment of fixed assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

1.11 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.12 Financial instruments

The group has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the group's statement of financial position when the group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

1 Accounting policies (continued)

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the group transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1 Accounting policies (continued)

Other financial liabilities

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Derecognition of financial liabilities

Financial liabilities are derecognised when the group's contractual obligations expire or are discharged or cancelled.

1.13 Equity instruments

Equity instruments issued by the group are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the group.

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognised in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

1.14 Taxation

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

Current tax

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

1 Accounting policies (continued)

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Where items recognised in other comprehensive income or equity are chargeable to or deductible for tax purposes, the resulting current or deferred tax expense or income is presented in the same component of comprehensive income or equity as the transaction or other event that resulted in the tax expense or income. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.15 Employee benefits

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

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

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

1.16 Retirement benefits

The Group operates a money purchase contribution scheme for employees. The assets of the scheme are held separately from those of the company in an independently administered fund. The contributions payable are charged against profits as incurred during the accounting period.

1.17 Share-based payments

Share options that have been issued by the Group have been reviewed under the Black Scholes model to evaluate any provision that may be required to set against the reserves of the Group. No provision has been made to the reserves on the grounds of materiality.

1.18 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

1 Accounting policies (continued)

1.19 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

1.20 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

2 Critical accounting judgements and key sources of estimation uncertainty

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

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

Key sources of estimation uncertainty

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

Calculation of goodwill

The goodwill calculation includes an element of deferred consideration, which is estimated based on the future consideration expected to be payable. The directors have exercised their professional judgement to determine this valuation.

R C Brown Investment Management PLC

Notes to the group financial statements (continued)

For the year ended 31 March 2022

3 Turnover and other revenue

	2022	2021
	£	£
Other revenue		
Interest income	82	269
Dividends received	10,227	12,728
Grants received	11,052	25,596

	2022	2021
	£	£
Turnover analysed by geographical market		
United Kingdom	2,298,615	1,586,334

4 Operating profit

	2022	2021
	£	£
Operating profit for the year is stated after charging/(crediting):		
Research and development costs	19,931	23,493
Government grants	(11,052)	(25,596)
Depreciation of owned tangible fixed assets	3,195	2,531
Amortisation of intangible assets	86,728	98,752
Operating lease charges	107,013	93,964

5 Auditor's remuneration

	2022	2021
	£	£
Fees payable to the company's auditor and associates:		
For audit services		
Audit of the financial statements of the group and company	10,250	8,750
Audit of the financial statements of the company's subsidiaries	1,800	2,400
	12,050	11,150

R C Brown Investment Management PLC

Notes to the group financial statements (continued)

For the year ended 31 March 2022

6 Employees

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

	Group		Company	
	2022	2021	2022	2021
	Number	Number	Number	Number
Investment	9	10	7	8
Administration	4	3	3	3
	<u>13</u>	<u>13</u>	<u>10</u>	<u>11</u>

Their aggregate remuneration comprised:

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Wages and salaries	727,443	567,261	607,197	524,550
Social security costs	81,635	59,471	68,303	56,214
Pension costs	43,263	56,194	23,021	23,358
	<u>852,341</u>	<u>682,926</u>	<u>698,521</u>	<u>604,122</u>

7 Directors' remuneration

	2022	2021
	£	£
Remuneration for qualifying services	418,137	329,963
Company pension contributions to defined contribution schemes	15,650	13,525
	<u>433,787</u>	<u>343,488</u>

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

The number of directors who exercised share options during the year was 0 (2021 - 2).

R C Brown Investment Management PLC

Notes to the group financial statements (continued)

For the year ended 31 March 2022

7 Directors' remuneration (continued)

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

	2022	2021
	£	£
Remuneration for qualifying services	109,100	102,000

8 Interest receivable and similar income

	2022	2021
	£	£
Interest income		
Interest on bank deposits	82	269
Other income from investments		
Dividends received	10,227	12,728
Total income	10,309	12,997

Investment income includes the following:

Dividends from financial assets measured at fair value through profit or loss	10,227	12,728
---	--------	--------

9 Other gains and losses

	2022	2021
	£	£
Fair value gains/(losses) on financial instruments		
Amounts written back to fair value through profit or loss	7,708	-
Other gains/(losses)		
Gain on disposal of fixed asset investments	64,872	-
Amounts (written off)/written back to investments held at fair value	(41,469)	154,688
	31,111	154,688

R C Brown Investment Management PLC

Notes to the group financial statements (continued)

For the year ended 31 March 2022

10 Taxation

	2022	2021
	£	£
Current tax		
UK corporation tax on profits for the current period	9,195	22,844
	<u> </u>	<u> </u>
Deferred tax		
Origination and reversal of timing differences	1,125	30,634
	<u> </u>	<u> </u>
Total tax charge	<u>10,320</u>	<u>53,478</u>

The actual charge for the year can be reconciled to the expected charge for the year based on the profit or loss and the standard rate of tax as follows:

	2022	2021
	£	£
Profit before taxation	386,926	195,117
	<u> </u>	<u> </u>
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2021: 19.00%)	73,516	37,072
Tax effect of expenses that are not deductible in determining taxable profit	9,221	300
Tax effect of income not taxable in determining taxable profit	(13,790)	(29,391)
Tax effect of utilisation of tax losses not previously recognised	(79,877)	(19,673)
Effect of change in corporation tax rate	5,220	-
Amortisation on assets not qualifying for tax allowances	16,478	-
Other non-reversing timing differences	(118)	(2,418)
Other permanent differences	(1,895)	36,954
Chargeable gains	1,565	-
Deferred tax charge	-	30,634
	<u> </u>	<u> </u>
Taxation charge	<u>10,320</u>	<u>53,478</u>

The off balance sheet tax asset relating to carried forward tax losses is £12,600 (2021: £96,500).

R C Brown Investment Management PLC

Notes to the group financial statements (continued)
For the year ended 31 March 2022

11 Dividends

	2022	2021
	£	£
Recognised as distributions to equity holders:		
Final paid	79,227	-
	<u>79,227</u>	<u>-</u>

12 Intangible fixed assets

Group	Goodwill
	£
Cost	
At 1 April 2021	867,333
Revaluation	46,707
	<u>914,040</u>
At 31 March 2022	<u>914,040</u>
Amortisation and impairment	
At 1 April 2021	136,157
Amortisation charged for the year	86,728
	<u>222,885</u>
At 31 March 2022	<u>222,885</u>
Carrying amount	
At 31 March 2022	691,155
	<u>691,155</u>
At 31 March 2021	731,176
	<u>731,176</u>

The company had no intangible fixed assets at 31 March 2022 or 31 March 2021.

R C Brown Investment Management PLC

Notes to the group financial statements (continued)
For the year ended 31 March 2022

13 Tangible fixed assets

Group	Fixtures and fittings	Computers	Total
	£	£	£
Cost			
At 1 April 2021	705	141,800	142,505
Additions	-	2,078	2,078
	<u>705</u>	<u>143,878</u>	<u>144,583</u>
At 31 March 2022	705	143,878	144,583
Depreciation and impairment			
At 1 April 2021	705	134,536	135,241
Depreciation charged in the year	-	3,195	3,195
	<u>705</u>	<u>137,731</u>	<u>138,436</u>
At 31 March 2022	705	137,731	138,436
Carrying amount			
At 31 March 2022	-	6,147	6,147
	<u>-</u>	<u>6,147</u>	<u>6,147</u>
At 31 March 2021	-	7,264	7,264
	<u>-</u>	<u>7,264</u>	<u>7,264</u>
Company		Computers	
		£	
Cost			
At 1 April 2021			146,318
Additions			2,078
			<u>148,396</u>
At 31 March 2022			148,396
Depreciation and impairment			
At 1 April 2021			139,054
Depreciation charged in the year			3,195
			<u>142,249</u>
At 31 March 2022			142,249
Carrying amount			
At 31 March 2022			6,147
			<u>6,147</u>
At 31 March 2021			7,264
			<u>7,264</u>

R C Brown Investment Management PLC

Notes to the group financial statements (continued)
For the year ended 31 March 2022

14 Fixed asset investments

		Group 2022	2021	Company 2022	2021
	Notes	£	£	£	£
Investments in subsidiaries	15	-	-	974,014	927,307
Unlisted investments		469,285	565,402	469,285	565,402
		<u>469,285</u>	<u>565,402</u>	<u>1,443,299</u>	<u>1,492,709</u>
		<u><u>469,285</u></u>	<u><u>565,402</u></u>	<u><u>1,443,299</u></u>	<u><u>1,492,709</u></u>
Listed investments included above:					
Listed investments carrying amount		469,285	565,402	469,285	565,402
		<u><u>469,285</u></u>	<u><u>565,402</u></u>	<u><u>469,285</u></u>	<u><u>565,402</u></u>

Listed investments are held at market value. The historic cost of listed investments is £321,963 (2021: £376,448) the fall in value of £41,469 (2021: uplift of £154,688) being attributable to fair value decreases.

Movements in fixed asset investments

Group	Investments £
Cost or valuation	
At 1 April 2021	565,402
Valuation changes	23,403
	<u>588,805</u>
At 31 March 2022	
Impairment	
At 1 April 2021	-
Disposals	119,520
	<u>119,520</u>
At 31 March 2022	
Carrying amount	
At 31 March 2022	469,285
	<u><u>469,285</u></u>
At 31 March 2021	565,402
	<u><u>565,402</u></u>

R C Brown Investment Management PLC

Notes to the group financial statements (continued)
For the year ended 31 March 2022

14 Fixed asset investments (continued)

Movements in fixed asset investments

Company	Shares in subsidiaries £	Other investments £	Total £
Cost or valuation			
At 1 April 2021	927,307	565,402	1,492,709
Valuation changes	46,707	23,403	70,110
	<hr/>	<hr/>	<hr/>
At 31 March 2022	974,014	588,805	1,562,819
	<hr/>	<hr/>	<hr/>
Impairment			
At 1 April 2021	-	-	-
Disposals	-	119,520	119,520
	<hr/>	<hr/>	<hr/>
At 31 March 2022	-	119,520	119,520
	<hr/>	<hr/>	<hr/>
Carrying amount			
At 31 March 2022	974,014	469,285	1,443,299
	<hr/>	<hr/>	<hr/>
At 31 March 2021	927,307	565,402	1,492,709
	<hr/>	<hr/>	<hr/>

R C Brown Investment Management PLC

Notes to the group financial statements (continued) For the year ended 31 March 2022

15 Subsidiaries

Details of the company's subsidiaries at 31 March 2022 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held
Portcullis Financial Planning Ltd	United Kingdom	Independent financial advisor	Ordinary shares
RCBIM Nominees Ltd	United Kingdom	Dormant company	Ordinary shares

RCBIM Nominees Limited is 100% owned.

On 27 July 2021 the group disposed of 10% of its holding in Portcullis Financial Planning Limited. At the year end the group held 90% of the share capital in the company.

16 Financial instruments

	Group 2022 £	2021 £	Company 2022 £	2021 £
Carrying amount of financial assets				
Instruments measured at fair value through profit or loss	469,285	565,402	469,285	565,402

Credit risk

The directors do not consider the Group to have a credit risk as amounts owing at year end are paid from client money account within seven working days in accordance with their client agreements.

Liquidity risk

The directors consider liquidity risk to be negligible given the Group has no borrowings and has cash reserves. It also has a significant amount of liquid investments.

Market risk

The Group faces some market risk as its fee income is based on assets under management. Client portfolios are invested across a broad range of asset classes and geographies, hence protecting the value of client assets and fee income.

Capital risk

The directors consider the Group to be well capitalised and able to absorb significant shocks to the business. Our cash balance is in excess of the regulatory capital requirement and liquid investments provide additional capital.

R C Brown Investment Management PLC

Notes to the group financial statements (continued)

For the year ended 31 March 2022

17 Debtors

	Group 2022	2021	Company 2022	2021
	£	£	£	£
Amounts falling due within one year:				
Trade debtors	161,404	100,369	161,404	100,369
Amounts owed by group undertakings	-	-	-	6,434
Other debtors	76,096	139,943	76,096	139,943
Prepayments and accrued income	66,521	64,121	60,271	64,121
	<u>304,021</u>	<u>304,433</u>	<u>297,771</u>	<u>310,867</u>

18 Creditors: amounts falling due within one year

		Group 2022	2021	Company 2022	2021
	Notes	£	£	£	£
Bank loans	20	10,644	-	-	-
Trade creditors		24,939	11,423	24,939	11,423
Corporation tax payable		9,195	22,811	-	-
Other taxation and social security		103,576	66,624	103,576	66,624
Other creditors		73,929	281,207	52,330	274,757
Accruals and deferred income		398,879	128,582	398,879	128,582
		<u>621,162</u>	<u>510,647</u>	<u>579,724</u>	<u>481,386</u>

19 Creditors: amounts falling due after more than one year

		Group 2022	2021	Company 2022	2021
	Notes	£	£	£	£
Bank loans and overdrafts	20	<u>39,356</u>	<u>50,000</u>	<u>-</u>	<u>-</u>

R C Brown Investment Management PLC

Notes to the group financial statements (continued)

For the year ended 31 March 2022

20 Loans and overdrafts

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Bank loans	50,000	50,000	-	-
	<u>50,000</u>	<u>50,000</u>	<u>-</u>	<u>-</u>
Payable within one year	10,644	-	-	-
Payable after one year	39,356	50,000	-	-
	<u>50,000</u>	<u>50,000</u>	<u>-</u>	<u>-</u>

The loan is repayable by monthly instalments commencing 13 months after the date of the drawdown and final payment is due 72 months after the date of drawdown. Interest is payable at a fixed rate of 2.5%.

21 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the group and company, and movements thereon:

	Liabilities	Liabilities
	2022	2021
	£	£
Group		
Accelerated capital allowances	1,537	1,381
Tax losses	36,830	35,861
	<u>38,367</u>	<u>37,242</u>
	<u>38,367</u>	<u>37,242</u>
	Liabilities	Liabilities
	2022	2021
	£	£
Company		
Accelerated capital allowances	1,537	1,381
Tax losses	36,830	35,861
	<u>38,367</u>	<u>37,242</u>
	<u>38,367</u>	<u>37,242</u>

R C Brown Investment Management PLC

Notes to the group financial statements (continued)
For the year ended 31 March 2022

21 Deferred taxation (continued)

	Group 2022	Company 2022
	£	£
Movements in the year:		
Liability at 1 April 2021	37,242	37,242
Charge to profit or loss	1,125	1,125
	<u>38,367</u>	<u>38,367</u>
Liability at 31 March 2022	<u><u>38,367</u></u>	<u><u>38,367</u></u>

22 Retirement benefit schemes

	2022	2021
	£	£
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	43,263	56,194
	<u><u>43,263</u></u>	<u><u>56,194</u></u>

A defined contribution pension scheme is operated for all qualifying employees. The assets of the scheme are held separately from those of the group in an independently administered fund.

23 Share-based payment transactions

Group and company	Number of share options		Weighted average exercise price	
	2022 Number	2021 Number	2022 £	2021 £
Outstanding at 1 April 2021	65,240	66,700	7.79	7.80
Exercised	-	(1,460)	-	8.41
	<u>65,240</u>	<u>65,240</u>	<u>7.79</u>	<u>7.79</u>
Outstanding at 31 March 2022	<u><u>65,240</u></u>	<u><u>65,240</u></u>	<u><u>7.79</u></u>	<u><u>7.79</u></u>
Exercisable at 31 March 2022	<u><u>65,240</u></u>	<u><u>66,700</u></u>	<u><u>7.79</u></u>	<u><u>7.79</u></u>

The options outstanding at 31 March 2022 had an exercise price ranging from £7.00 to £9.06.

41,500 share options were issued on 25 April 2014 with a option price of £7.00 per share. A further 28,000 share options were issued on 1 November 2017 with an option price of £9.06 per share.

No adjustment has been made under section 26 of FRS 102 on the basis that the options are not material to the financial statements.

R C Brown Investment Management PLC**Notes to the group financial statements (continued)****For the year ended 31 March 2022****24 Share capital**

Group and company	2022	2021	2022	2021
Ordinary share capital	Number	Number	£	£
Issued and fully paid				
Ordinary shares of £1 each	152,360	151,360	152,360	151,360

During the year 1,000 (2021: 1,000) Ordinary shares of £1 each were allocated as fully paid at a premium of £6 (2021: £nil) per share. The total share premium recognised in the year was £6,000 (2021: £8,760).

25 Operating lease commitments**Lessee**

At the reporting end date the group had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Within one year	206,460	189,083	206,460	189,083
Between two and five years	285,702	329,648	285,702	329,648
	<u>492,162</u>	<u>518,731</u>	<u>492,162</u>	<u>518,731</u>

26 Directors' transactions

The Group manages personal funds owned by certain directors and their immediate families free of charge. The estimated value of services provided totals in aggregate £23,536 (2021: £21,432).

Share options have been issued to Alan Beaney, Oliver Brown, Glenn Meyer and Neil Whelan the details of which are shown in note 23 to the financial statements.

27 Controlling party

Robert Brown is the ultimate controlling party by virtue of his majority shareholding.

In the event that all the share options issued were exercised by the directors they would continue to exercise control of the company.

R C Brown Investment Management PLC

Notes to the group financial statements (continued) For the year ended 31 March 2022

28 IFPRU & country by country reporting

As an investment firm within the scope of the CRD IV, the company must report certain information on its business on a country by country basis, known as Country-by-Country Reporting (CBCR). Article 89 of the Capital Requirements Regulation 2013 (CRR) imposes the ongoing CBCR reporting obligations on institutions in the United Kingdom within the scope of CRD IV.

The firm has published its annual reporting obligation for the year ended 31 March 2022 in these financial statements as follows:

i. Names of the company, subsidiaries or branches, nature of activities and geographical location	Notes 1, 15
ii. Turnover	Statement of Comprehensive Income
iii. Number of employees on a full time equivalent basis	Note 6
iv. Profit or loss before tax	Statement of Comprehensive Income
v. Tax on profit or loss	Note 10
vi. Public subsidies received	£nil

IFPRU 9 disclosures

The company is required to disclose its return on assets, calculated as net profit divided by total balance sheet:

	2022	2021
i. Profit / (loss) for the year	£424,818	£238,902
ii. Net assets	£2,151,548	£1,798,957
iii. Return on assets	19.74%	13.28%

R C Brown Investment Management PLC

Notes to the group financial statements (continued)

For the year ended 31 March 2022

29 Cash generated from group operations

	2022	2021
	£	£
Profit for the year after tax	376,606	141,639
Adjustments for:		
Taxation charged	10,320	53,478
Investment income	(10,309)	(12,997)
Amortisation and impairment of intangible assets	86,728	98,752
Depreciation and impairment of tangible fixed assets	3,195	2,531
Gain on sale of investments	(64,872)	-
Other gains and losses	33,761	(154,688)
Movements in working capital:		
Decrease/(increase) in debtors	412	(24,708)
Increase in creditors	281,056	32,409
Cash generated from operations	716,897	136,416

30 Analysis of changes in net funds - group

	1 April 2021	Cash flows 31 March 2022	
	£	£	£
Cash at bank and in hand	601,576	543,042	1,144,618
Borrowings excluding overdrafts	(50,000)	-	(50,000)
	<u>551,576</u>	<u>543,042</u>	<u>1,094,618</u>

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