

COMPANY REGISTRATION NUMBER: 02553654

Business in Focus Limited
Company Limited by Guarantee
Financial Statements
For the year ended
31 March 2016



Business in Focus Limited
Company Limited by Guarantee
Financial Statements
Year ended 31 March 2016

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Business in Focus Limited

Company Limited by Guarantee

Officers and Professional Advisers

The board of directors

Mr J P Bevan
Mr G D Evans
Mr S D Hudd
Cllr D Sage (Resigned 28 July 2015)
Mr C M Richards
Mr R James
Mr N Chhabria
Mrs J K S Jones
Mr H W Davies
Mr D R H James
Mr D R Bevan
Mr J P Sheppard
Mr W D Snowdon (Resigned 6 November 2015)
Mr K Thomas
Dr C E Smith (Appointed 28 July 2015)
Mr A M Jones
Mrs J Griffiths (Resigned 5 April 2016)
Mrs E Burnett
Ms C M Chamberlain
Mr J M Good
Mrs N Phillips

Registered office

Units 14/15
Bocam Park
Old Field Road
Pencoed
Bridgend
Mid Glamorgan
CF35 5LJ

Auditor

Clay Shaw Thomas Limited
Chartered accountant & statutory auditor
2 Oldfield Road
Bocam Park
Bridgend
CF35 5LJ

Bankers

National Westminster Bank Plc
28 Adare Street
Bridgend
CF31 1EN

Business in Focus Limited

Company Limited by Guarantee

Strategic Report

Year ended 31 March 2016

The directors present their strategic report for the year ended 31 March 2016.

Principal activity

The principal activity of the company continues to be that of business support services.

Business review

2015-16 was a very busy year for the Company. The period saw the Welsh Government's separate Business Start-Up and Business Wales programmes finishing on 31st December 2015, and a tender for the new consolidated programme developed and submitted. Delivering the final phase of both programmes was a significant achievement in a challenging operating environment with many of the delivery staff facing uncertainty over their futures as the contracts ended.

Against this background the Company was also asked by Welsh Government to manage and deliver Phase II of its Superfast Broadband Project on a pan-Wales basis, a project it undertook with considerable success. At the same time delivery of the UK Government's Start Up Loan initiative also continued with over 122 applicants drawing down over £1.1m in funding.

Operating in a challenging business environment the Company experienced another successful year, providing ongoing support to the Welsh business community, whilst establishing new relationships with key strategic partners to bid for new work and contracts, in particular the consolidated Business Wales programme tender.

This bid was successful. In October, the Company, in collaboration with others, was awarded the 5 year contract to deliver the Welsh Government's Business Wales SME Business Support programme. Business in Focus is the lead contractor in a collaborative relationship which includes Antur Teifi Cyfyngedig and Peninsula Enterprise, a division of Serco Limited as subcontractors to the company. Commencing on 1st January 2016, the contract resulted in the transfer of a considerable number of employees into the Company under TUPE regulations. During the last quarter of the year, the Company undertook a major recruitment and selection process to enable the new contract to be delivered in line with requirements of the Tender process. The costs associated with this restructure had a significant impact upon profitability for the year.

The Company was also part of a successful bid to deliver the Welsh Government's Big Ideas Wales programme, aimed at encouraging and developing entrepreneurship in people under the age of 25, throughout Wales.

Principal risks & uncertainties

The management of the business and the nature of the company's strategy are subject to a number of risks.

Given the nature of the business, the principal risks arise from the ability to sustain funding. The result of the recent referendum and the decision to leave the European Union will be a key risk to the company as 50% of the current Business Wales contract is funded by the European Union. However, this is more of a long term issue given that it will take a number of years to implement.

In addition it is anticipated that there will be increasing legislation and regulation together with increases in staff costs driven by employment legislation. Specifically the introduction of the living wage in 2016/17 and workplace pensions automatic enrolment.

Business in Focus Limited have management structures, policies and procedures which are designed to enable the achievement of business objectives, while controlling the risks associated with the environment in which it operates.

Business in Focus Limited

Company Limited by Guarantee

Strategic Report *(continued)*

Year ended 31 March 2016

Development & performance

The company's property portfolio continued to expand as the company secured a new property management client in Cardiff. Average lettings across the portfolio were maintained at over 95% throughout the whole year.

Financial key performance indicators

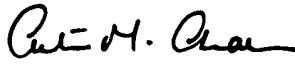
The financial key performance indicators for the year were as follows:

	2016	2015
	£	£
Turnover - £	4,477,217	3,971,203
Net Profit - %	3	2

This report was approved by the board of directors on 26 July 2016 and signed on behalf of the board by:



Mr G D Evans
Chairman



Ms C M Chamberlain

Director

Registered office:
Units 14/15
Bocam Park
Old Field Road
Pencoed
Bridgend
Mid Glamorgan
CF35 5LJ

Business in Focus Limited

Company Limited by Guarantee

Directors' Report

Year ended 31 March 2016

The directors present their report and the financial statements of the company for the year ended 31 March 2016.

Directors

The directors who served the company during the year were as follows:

Mr J P Bevan	
Mr G D Evans	
Mr S D Hudd	
Mr C M Richards	
Mr R James	
Mr N Chhabria	
Mrs J K S Jones	
Mr H W Davies	
Mr D R H James	
Mr D R Bevan	
Mr J P Sheppard	
Mr K Thomas	
Mr A M Jones	
Mrs J Griffiths	
Mrs E Burnett	
Ms C M Chamberlain	
Mr J M Good	
Mrs N Phillips	
Dr C E Smith	(Appointed 28 July 2015)
Clr D Sage	(Resigned 28 July 2015)
Mr W D Snowdon	(Resigned 6 November 2015)

Dividends

The company is unable to recommend the payment of dividends as it is a company limited by guarantee.

Future developments

During the coming year, the Company will continue to develop other suitable opportunities for new income streams and to build upon its successful track record of business support. Opportunities for expansion of the property portfolio will also be reviewed on a case by case basis to enable an extension of the current successful business model.

Disclosure of information in the strategic report

This information is shown in the strategic report under s414C (11) on page 2.

Directors' responsibilities statement

The directors are responsible for preparing the strategic report, directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with 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 company and the profit or loss of the company for that period.

Business in Focus Limited

Company Limited by Guarantee

Directors' Report *(continued)*

Year ended 31 March 2016

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

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

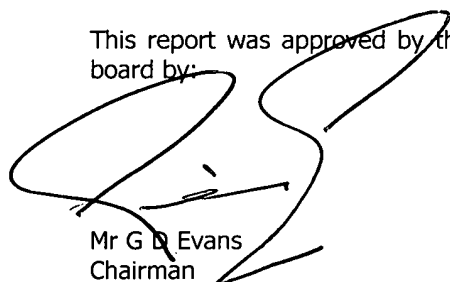
The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies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

Auditor


Each of the persons who is a director at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the company's auditor is unaware; and
- they have taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

This report was approved by the board of directors on *26 July 2016* and signed on behalf of the board by:



Mr G D Evans
Chairman



Ms C M Chamberlain
Director

Registered office:
Units 14/15
Bocam Park
Old Field Road
Pencoed
Bridgend
Mid Glamorgan
CF35 5LJ

Business in Focus Limited

Company Limited by Guarantee

Independent Auditor's Report to the Members of Business in Focus Limited

Year ended 31 March 2016

We have audited the financial statements of Business in Focus Limited for the year ended 31 March 2016 which comprise the statement of income and retained earnings, statement of financial position, statement of cash flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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

Respective responsibilities of directors and auditor

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. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the strategic report and the directors' report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2016 and of its 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.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion 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.

Business in Focus Limited

Company Limited by Guarantee

Independent Auditor's Report to the Members of Business in Focus Limited *(continued)*

Year ended 31 March 2016

Matters on which we are required to report by exception

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

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



Mr David Gwyn J. Williams B.A., F.C.A (Senior Statutory Auditor)

For and on behalf of
Clay Shaw Thomas Limited
Chartered accountant & statutory auditor
2 Oldfield Road
Bocam Park
Bridgend
CF35 5LJ

15/12/2016.

Business in Focus Limited

Company Limited by Guarantee

Statement of Income and Retained Earnings

Year ended 31 March 2016

	Note	2016 £	2015 £
Turnover	5	4,477,217	3,971,203
Cost of sales		(1,842,202)	(1,402,678)
Gross profit		2,635,015	2,568,525
Administrative expenses		2,344,582	2,344,151
Operating profit	6	290,433	224,374
Other interest receivable and similar income		42,729	24,200
Interest payable and similar charges	10	143,360	152,503
Profit on ordinary activities before taxation		189,802	96,071
Tax on profit on ordinary activities	11	25,816	(17,480)
Profit for the financial year and total comprehensive income		163,986	113,551
Retained earnings at the start of the year		2,842,432	2,728,881
Retained earnings at the end of the year		3,006,418	2,842,432

All the activities of the company are from continuing operations.

The notes on pages 11 to 23 form part of these financial statements.

Business in Focus Limited

Company Limited by Guarantee

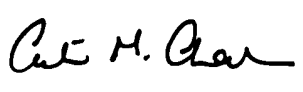
Statement of Financial Position

31 March 2016

	Note	2016 £	2015 £
Fixed assets			
Tangible assets	12	9,793,880	9,836,367
Investments	13	2	2
		<u>9,793,882</u>	<u>9,836,369</u>
Current assets			
Debtors	14	812,036	1,069,150
Cash at bank and in hand	15	33,217	29,849
		<u>845,253</u>	<u>1,098,999</u>
Creditors: amounts falling due within one year	16	<u>1,347,046</u>	<u>1,582,282</u>
Net current liabilities		<u>501,793</u>	<u>483,283</u>
Total assets less current liabilities		<u>9,292,089</u>	<u>9,353,086</u>
Creditors: amounts falling due after more than one year	17	<u>1,706,317</u>	<u>1,927,433</u>
Provisions			
Taxation including deferred tax	19	<u>301,754</u>	<u>305,621</u>
Net assets		<u>7,284,018</u>	<u>7,120,032</u>
Capital and reserves			
Revaluation reserve	22	4,277,600	4,277,600
Profit and loss account	22	3,006,418	2,842,432
Members funds		<u>7,284,018</u>	<u>7,120,032</u>

These financial statements were approved by the board of directors and authorised for issue on 26 July 2016 and are signed on behalf of the board by:


Mr G D Evans
Chairman


Ms C M Chamberlain
Director

Company registration number: 02553654

The notes on pages 11 to 23 form part of these financial statements.

Business in Focus Limited

Company Limited by Guarantee

Statement of Cash Flows

Year ended 31 March 2016

	Note	2016 £	2015 £
Cash flows from operating activities			
Profit for the financial year		163,986	113,551
<i>Adjustments for:</i>			
Depreciation of tangible assets		42,487	47,839
Other interest receivable and similar income		(42,729)	(24,200)
Interest payable and similar charges		143,360	152,503
Tax on profit on ordinary activities		25,816	(17,480)
Accrued expenses		106,243	19,947
<i>Changes in:</i>			
Trade and other debtors		257,114	10,350
Trade and other creditors		(318,883)	126,551
Cash generated from operations		377,394	429,061
Interest paid		(143,360)	(152,503)
Interest received		42,729	24,200
Tax paid		(13,460)	(6,758)
Net cash from operating activities		<u>263,303</u>	<u>294,000</u>
Cash flows from investing activities			
Purchase of tangible assets		—	(47,341)
Net cash used in investing activities		<u>—</u>	<u>(47,341)</u>
Cash flows from financing activities			
Proceeds from borrowings		(173,773)	(169,960)
Proceeds from loans from group undertakings		—	1
Net cash used in financing activities		<u>(173,773)</u>	<u>(169,959)</u>
Net increase in cash and cash equivalents		89,530	76,700
Cash and cash equivalents at beginning of year		<u>(56,313)</u>	<u>(133,012)</u>
Cash and cash equivalents at end of year	15	<u>33,217</u>	<u>(56,312)</u>

The notes on pages 11 to 23 form part of these financial statements.

Business in Focus Limited

Company Limited by Guarantee

Notes to the Financial Statements

Year ended 31 March 2016

1. Statement of compliance

These financial statements have been prepared in accordance with applicable United Kingdom accounting standards, including Financial Reporting Standard 102 - 'The Financial Reporting Standard applicable in the United Kingdom & Republic of Ireland' (FRS102), and with the Companies Act 2006.

Business in Focus Limited is a private company limited by guarantee and is incorporated and domiciled in England & Wales. The address of the registered office is Units 14/15 Bocam Park, Oldfield Road, Pencoed, Bridgend, Mid Glamorgan, CF35 5LJ.

2. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Transition to FRS 102

The entity transitioned from previous UK GAAP to FRS 102 as at 1 April 2014. Details of how FRS 102 has affected the reported financial position and financial performance is given in note 25.

Revenue recognition

The turnover shown in the profit and loss account represents amounts receivable during the year, in relation to property rentals and business support services, exclusive of VAT.

Turnover represents services provided during the accounting period.

Income tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date will result in an obligation to pay more, or a right to pay less or to receive more tax.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Deferred tax assets are recognised by the company to the extent that they are regarded as recoverable. The assets are regarded as recoverable to the extent, that the company forecast future profits from which the reversal can take place.

Operating leases

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

Business in Focus Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2016

2. Accounting policies *(continued)*

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Plant and machinery	- 10% - 33.33% straight line
Fixtures and fittings	- 10% - 33.33% straight line
Equipment	- 10% - 33.33% straight line

Investment property

Investment property is initially recorded at cost, which includes purchase price and any directly attributable expenditure.

Investment property is revalued to its fair value at each reporting date and any changes in fair value are recognised in profit or loss.

If a reliable measure of fair value is no longer available without undue cost or effort for an item of investment property, it shall be transferred to tangible assets and treated as such until it is expected that fair value will be reliably measurable on an on-going basis.

Investments

Fixed asset investments are initially recorded at cost, and subsequently stated at cost less any accumulated impairment losses.

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

Business in Focus Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2016

2. Accounting policies *(continued)*

Impairment of fixed assets *(continued)*

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the company are assigned to those units.

Provisions

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event, it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense.

Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Defined contribution plans

The company operates a defined contribution pension scheme for the employees. The contributions payable for the year are charged to the Profit and Loss Account.

Capitalisation of interest

Interest on capital borrowed directly attributable to finance the construction of properties is capitalised and included within the cost or valuation in the Balance Sheet. Interest is no longer capitalised when the properties are physically completed and available for rent.

Business in Focus Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2016

3. Critical accounting judgements and estimation uncertainty

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

(a) Critical accounting estimates and assumptions

The company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

(i) Useful economic lives of tangible assets

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See notes to the accounts for the carrying amount of the property plant and equipment and for the useful economic lives for each class of assets.

(ii) Impairment of debtors

The company makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, management considers factors including the current credit rating of the debtor, the ageing profile of debtors and historical experience.

4. Company limited by guarantee

The company is limited by guarantee and therefore has no issued share capital. The company is incorporated in the UK.

5. Turnover

Turnover arises from:

	2016	2015
	£	£
Property	1,230,064	1,220,079
Business Services	1,020,065	1,191,910
Business Wales	2,021,501	1,466,660
WG SME Grant Scheme	—	18,000
Group	205,587	74,554
	<u>4,477,217</u>	<u>3,971,203</u>

The whole of the turnover is attributable to the principal activity of the company wholly undertaken in the United Kingdom.

Business in Focus Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2016

6. Operating profit

Operating profit or loss is stated after charging:

	2016	2015
	£	£
Depreciation of tangible assets	42,487	47,839
Defined contribution plans expense	96,437	58,923
Operating lease rentals	50,327	52,166

7. Auditor's remuneration

	2016	2015
	£	£
Fees payable for the audit of the financial statements	9,475	8,975

8. Staff costs

The average number of persons employed by the company during the year, including the directors, amounted to:

	2016	2015
	No.	No.
Production staff	80	71

The aggregate payroll costs incurred during the year, relating to the above, were:

	2016	2015
	£	£
Wages and salaries	1,691,817	1,916,161
Social security costs	209,949	183,083
Other pension costs	96,437	58,923
	1,998,203	2,158,167

9. Directors' remuneration

The directors aggregate remuneration in respect of qualifying services was:

	2016	2015
	£	£
Remuneration	90,538	88,129
Company contributions to defined contribution pension plans	6,366	6,000
	96,904	94,129

The number of directors who accrued benefits under company pension plans was as follows:

	2016	2015
	No.	No.
Defined contribution plans	1	1

With the exception of the Executive Director, no board members receive any remuneration.

Business in Focus Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2016

10. Interest payable and similar charges

	2016 £	2015 £
Other interest payable and similar charges	<u>143,360</u>	<u>152,503</u>

11. Tax on profit on ordinary activities

Major components of tax expense/(income)

	2016 £	2015 £
Current tax:		
UK current tax expense	26,492	10,269
Adjustments in respect of prior periods	<u>3,191</u>	<u>–</u>
Total current tax	<u>29,683</u>	<u>10,269</u>
Deferred tax:		
Origination and reversal of timing differences	<u>(3,867)</u>	<u>(27,749)</u>
Tax on profit on ordinary activities	<u>25,816</u>	<u>(17,480)</u>

Reconciliation of tax expense/(income)

The tax assessed on the profit on ordinary activities for the year is lower than (2015: lower than) the standard rate of corporation tax in the UK of 20% (2015: 20%).

	2016 £	2015 £
Profit on ordinary activities before taxation	<u>189,802</u>	<u>96,071</u>
Profit on ordinary activities by rate of tax	37,960	19,214
Adjustment to tax charge in respect of prior periods	3,191	–
Effect of expenses not deductible for tax purposes	27,938	(4,316)
Effect of capital allowances and depreciation	<u>(12,907)</u>	<u>(4,629)</u>
Utilisation of tax losses	<u>(26,499)</u>	<u>–</u>
Deferred Tax: Origination and reversal of timing differences	<u>(3,867)</u>	<u>(27,749)</u>
Tax on profit on ordinary activities	<u>25,816</u>	<u>(17,480)</u>

Business in Focus Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2016

12. Tangible assets

	Investment property £	Plant and machinery £	Fixtures and fittings £	Equipment £	Total £
Cost					
At 1 Apr 2015	9,582,958	226,140	388,345	122,065	10,319,508
Disposals	—	(22,987)	(82,391)	(122,065)	(227,443)
At 31 Mar 2016	<u>9,582,958</u>	<u>203,153</u>	<u>305,954</u>	<u>—</u>	<u>10,092,065</u>
Depreciation					
At 1 Apr 2015	—	117,201	243,875	122,065	483,141
Charge for the year	—	18,129	24,358	—	42,487
Disposals	—	(22,987)	(82,391)	(122,065)	(227,443)
At 31 Mar 2016	<u>—</u>	<u>112,343</u>	<u>185,842</u>	<u>—</u>	<u>298,185</u>
Carrying amount					
At 31 Mar 2016	<u>9,582,958</u>	<u>90,810</u>	<u>120,112</u>	<u>—</u>	<u>9,793,880</u>
At 31 Mar 2015	<u>9,582,958</u>	<u>108,939</u>	<u>144,470</u>	<u>—</u>	<u>9,836,367</u>

Included within the above is investment property as follows:

	£
At 1 April 2015 and 31 March 2016	<u>9,582,958</u>

The company's investment properties were valued at a market value of £8,900,000 on 16 July 2010 by Savills (L&P) Limited, Chartered Surveyors, with the exception of Henley House, Swansea which is included at a cost of £669,632.

The directors have considered the property values at the year end and are confident that they are representative of fair value.

Included within the net book value of the investment properties is capitalised interest costs of £119,773 (2015: £119,773).

Tangible assets held at valuation

In respect of tangible assets held at valuation, the comparable carrying amount that would have been recognised if the assets had been carried under the historical cost model are as follows:

	Investment property £
At 31 March 2016	<u>5,305,358</u>
At 31 March 2015	<u>5,305,358</u>

Business in Focus Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2016

13. Investments

	Shares in group undertaking s £
Cost	
At 1 Apr 2015 and 31 Mar 2016	<u>2</u>
Impairment	
At 1 Apr 2015 and 31 Mar 2016	<u>—</u>
Carrying amount	
At 31 March 2016	<u>2</u>

The company owns 100% of the equity share capital of Cardiff & Vale Enterprise International Limited (2015: 100%). Cardiff & Vale Enterprise International Limited is a dormant company incorporated in the UK and at the year end the capital and reserves of the company were £nil (2015: £nil).

The company owns 100% of the equity share capital of Enterprise Taff Ely Ogwr Partnership Limited (2015: 100%). Enterprise Taff Ely Ogwr Limited is a dormant company incorporated in the UK and at the year end the capital and reserves of the company were £1 (2015: £1).

14. Debtors

	2016 £	2015 £
Trade debtors	170,272	1,032,288
Prepayments	68,856	36,862
Accrued income	572,908	—
	<u>812,036</u>	<u>1,069,150</u>

15. Cash and cash equivalents

Cash and cash equivalents comprise the following:

	2016 £	2015 £
Cash at bank and in hand	33,217	29,849
Bank overdrafts	—	(86,162)
	<u>33,217</u>	<u>(56,313)</u>

Business in Focus Limited

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Notes to the Financial Statements *(continued)*

Year ended 31 March 2016

16. Creditors: amounts falling due within one year

	2016	2015
	£	£
Bank loans and overdrafts	171,643	257,700
Trade creditors	659,482	790,007
Amounts owed to group undertakings	1	1
Accruals and deferred income	287,865	181,622
Corporation tax	26,492	10,269
Social security and other taxes	108,330	209,786
Derivative financial liability	4,508	—
Other creditors	—	41,588
Bonds held	88,725	91,309
	<u>1,347,046</u>	<u>1,582,282</u>

17. Creditors: amounts falling due after more than one year

	2016	2015
	£	£
Bank loans and overdrafts	1,530,555	1,704,433
Derivative financial liability	175,762	223,000
	<u>1,706,317</u>	<u>1,927,433</u>

The company has a loan with National Westminster Bank Plc of £48,656 (2015: £55,674). The loan is repayable over the period until February 2022. The interest rate on the loan is base rate + 3.8%.

The company has a loan with National Westminster Bank Plc of £614,705 (2015: £640,180). The loan is repayable over the period until September 2031. The interest rate on the loan is LIBOR + 3.8%.

The company has a loan with National Westminster Bank Plc of £1,031,415 (2015: £1,152,177). The loan is repayable over the period until December 2022. The interest rate on the loan is LIBOR + 2.16%.

The company has a loan with Lombard Finance of £7,422 (2015: £18,557). The loan is repayable over the period until November 2016. The interest rate on the loan is the base rate.

The company had a loan with Lombard Finance of £nil (2015: £9,384). The loan was repayable over the period until October 2015. The interest rate on the loan is the base rate.

Refer to the bank security note for further details.

The company has two interest rate swap contracts. The first expires on 6 December 2016; the fair value of the interest rate swap on 31 March 2016 was a liability of £4,508. The second expires on 6 June 2022; the fair value of the contract as at 31 March 2016 was a liability of £175,762.

The fair value of the interest rate swap contracts has been determined by reference to prices available from the markets on which the instruments involved are traded.

Included within creditors: amounts falling due after more than one year is an amount of £732,506 (2015: £957,234) in respect of liabilities payable by instalments which fall due for payment after more than five years from the reporting date.

Business in Focus Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2016

18. Deferred tax

The deferred tax included in the statement of financial position is as follows:

	2016 £	2015 £
Included in provisions (note 19)	<u>301,754</u>	<u>305,621</u>

The deferred tax account consists of the tax effect of timing differences in respect of:

	2016 £	2015 £
Accelerated capital allowances	(63,421)	(71,649)
Revaluation of investment property	365,175	389,448
Holiday pay accrual	—	(12,178)
	<u>301,754</u>	<u>305,621</u>

19. Provisions

	Deferred tax (note 18) £
At 1 April 2015	305,621
Charge against provision	(3,867)
At 31 March 2016	<u>301,754</u>

20. Employee benefits

Defined contribution plans

The amount recognised in profit or loss as an expense in relation to defined contribution plans was £96,437 (2015: £58,923).

21. Financial instruments

The carrying amount for each category of financial instrument is as follows:

	2016 £	2015 £
Financial assets		
Financial assets that are debt instruments measured at amortised cost	743,180	1,032,288
Financial assets that are equity instruments measured at cost less impairment	<u>2</u>	<u>2</u>
Financial liabilities		
Derivative financial liabilities measured at fair value through profit or loss	(180,271)	(223,000)
Financial liabilities measured at amortised cost	<u>(2,450,405)</u>	<u>(2,885,034)</u>

Business in Focus Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2016

22. Reserves

Revaluation reserve - This reserve records the value of asset revaluations and fair value movements on assets recognised in other comprehensive income.

Profit and loss account - This reserve records retained earnings and accumulated losses.

23. Operating leases

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2016	2015
	£	£
Not later than 1 year	117,487	52,166
Later than 1 year and not later than 5 years	408,284	120,852
Later than 5 years	68,809	31,265
	<u>594,580</u>	<u>204,283</u>

24. Related party transactions

Included in creditors is an amount of £1 (2015: £1) due to Enterprise Taff Ely Ogwr Partnership Limited, a 100% subsidiary of Business in Focus Limited.

During the year the company made purchases of £19,800 (2015: £11,400) from Morgan Denton and Jones Limited, a company where Mrs J K S Jones is also a director. At the year end, the company owed £19,200 (2015: £nil).

During the year the company made purchases of £6,892 (2015: £740) from Jennifer Griffiths Recruitment and Training Limited, a company where Mrs J Griffiths is a director. There was no balance owed by the company at the year end (2015: £nil).

During the year the company made purchases of £nil (2015: £591) from Commercial Legal Solutions a legal firm where Mr W D Snowdon is the sole proprietor. There was no balance owed by the company at the year end (2015: £nil).

During the year the company made purchases of £10,320 (2015: £1,851) from Capital Law a legal firm where Mrs N Phillips is a partner. There was no balance owed by the company at the year end (2015: £nil).

During the year the company made purchases of £10,590 (2015: £nil) from Geldards LLP a legal firm where Mr R W James is a partner. There was no balance owed by the company at the year end (2015: £nil).

Key management personnel include all persons that have authority and responsibility for planning, directing and controlling the activities of the company. The total remuneration paid to key management personnel for services provided to the company was £212,728 (2015: £167,249).

25. Transition to FRS 102

These are the first financial statements that comply with FRS 102. The company transitioned to FRS 102 on 1 April 2014.

Business in Focus Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2016

25. Transition to FRS 102 *(continued)*

Reconciliation of equity

	1 April 2014			31 March 2015		
	As previously stated £	Effect of transition £	FRS 102 (as restated) £	As previously stated £	Effect of transition £	FRS 102 (as restated) £
Fixed assets	9,836,866	–	9,836,866	9,836,369	–	9,836,369
Current assets	1,122,547	–	1,122,547	1,098,999	–	1,098,999
Creditors: amounts falling due within one year	(1,433,292)	(60,884)	(1,494,176)	(1,521,398)	(60,884)	(1,582,282)
Net current liabilities	(310,745)	(60,884)	(371,629)	(422,399)	(60,884)	(483,283)
Total assets less current liabilities	9,526,121	(60,884)	9,465,237	9,413,970	(60,884)	9,353,086
Creditors: amounts falling due after more than one year	(3,215,488)	1,090,103	(2,125,385)	(2,949,285)	1,021,852	(1,927,433)
Provisions	–	(333,371)	(333,371)	–	(305,621)	(305,621)
Net assets	6,310,633	695,848	7,006,481	6,464,685	655,347	7,120,032
Capital and reserves	6,310,633	695,848	7,006,481	6,464,685	655,347	7,120,032

Reconciliation of profit or loss for the year

	Year ended 31 March 2015		
	As previously stated £	Effect of transition £	FRS 102 (as restated) £
Turnover	3,971,203	–	3,971,203
Cost of sales	(1,402,678)	–	(1,402,678)
Gross profit	2,568,525	–	2,568,525
Administrative expenses	(2,344,151)	–	(2,344,151)
Other operating income	92,451	(92,451)	–
Operating profit	316,825	(92,451)	224,374
Other interest receivable and similar income	–	24,200	24,200
Interest payable and similar charges	(152,503)	–	(152,503)
Tax on profit on ordinary activities	(10,269)	27,749	17,480
Profit for the financial year	154,053	(40,502)	113,551

Business in Focus Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2016

25. Transition to FRS 102 *(continued)*

Financial instruments - FRS 102 requires financial instruments to be recognised at fair value. Previously under UK GAAP the company did not recognise these instruments in the financial statements. Accordingly at transition, a liability of £247,200 was recognised and a gain of £24,200 was recognised in the profit and loss account for the year ended 31 March 2014. A liability of £223,000 was recognised at that date.

Revaluation of investment properties - under previous UK GAAP the company was not required to provide for taxation on revaluations, unless the company had entered into a binding sale agreement and recognised the gain or loss expected to arise. Under FRS 102 deferred taxation is provided on the temporary difference arising from the revaluation. A deferred tax charge of £345,548 arose on transition to FRS 102. In the year ending 31 March 2015 there is a tax credit arising of £27,749 on the reversal of the revaluation in the year.

Capital grants - under previous UK GAAP the capital grants were required to be written off in line with the expected useful life of the related assets. Under FRS 102 the company has applied the performance model and as all criteria of the capital grants have been met the company has released the capital grants of £1,337,303 to the profit and loss account as income in the year ended 31 March 2014. The annual grant release of £92,451 for the year ended 31 March 2015 has been reversed resulting in a decrease in profit in that year.

Holiday pay accrual - FRS 102 requires short term employee benefits to be charged to the profit and loss account as the employee service is received. This has resulted in the company recognising a liability for holiday pay of £60,884 on transition to FRS 102. Previously holiday pay accruals were not recognised and were charged to the profit and loss account as they were paid.

26. Bank security

Bank loans and overdrafts in favour of National Westminster Bank Plc are as follows:

An unscheduled mortgage debenture over all assets of the company, dated 13 February 1992.

A 2nd legal charge over freehold land and buildings and associated assets at The Enterprise Centre, Bryn Road, Tondy, dated 13 November 1992.

A 1st legal charge over leasehold land and buildings and associated assets at Units D4 & D5 Treforest Industrial Estate, Pontypridd, dated 20 December 1996.

A 1st legal charge over leasehold land and buildings and associated assets at Plot 26 & 26 Brynmenyn Industrial Estate, Bridgend, dated 19 November 1999.

A 1st legal charge over freehold land and buildings and associated assets at Frazer Building, 126 Bute Street, Cardiff, dated 2 February 2000.

A 1st legal charge over leasehold land and buildings and associated assets at 1a Tremorfa Industrial Estate, Tremorfa, Cardiff, dated 10 May 2001.

A 1st legal charge over freehold land and buildings and associated assets at Henley House, The Queensway, Fforestfach, Swansea, dated 22 February 2012.

A 1st legal charge over freehold land and buildings and associated assets at Tonypany Enterprise Centre, Glamorgan Yard, Tonypany, dated 13 February 2012.

The loan with Lombard Finance is secured on the computer equipment to which it relates.