

NORTHLAND CAPITAL PARTNERS LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

NORTHLAND CAPITAL PARTNERS LIMITED

COMPANY INFORMATION

Directors	R Johnson T Maciver
Company secretary	T Maciver
Registered number	02617599
Registered office	Prince Fredrick House 35-39 Maddox Street London W1S 2PP
Independent auditors	Elman Wall Limited Chartered Accountants & Statutory Auditor 8th Floor Becket House 36 Old Jewry London EC2R 8DD

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**STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2021**

Business review

The Directors hereby report the Company's trading results for the year ended 31 March 2021. The significant restructuring of its business is largely complete and the overheads remain low. The Company continues its business relationship with Baden Hill and has managed well through the impact of Covid. Management is focused on enhancing and diversifying current revenue streams.

Board changes

There have been no Board changes this year and the Board continues to be Tania Maciver as Director and Corporate Secretary and Robert Johnson as Chairman and CEO.

Key performance indicators

Given the current scaled back version of the business, it is the Board's view that Key Performance indicators are not relevant or meaningful at this time.

Future developments

Looking ahead over the next financial year, the Company is well placed from a cost standpoint and looks to bring in further transactions and to enter into additional strategic relationships. After fairing reasonably well through the Covid disruptions, the Company is seeking growth opportunities by adding clients, partnerships, or new investments in the coming year.

The Directors have complied with s414c of the Companies Act 2006 in preparing this strategic report.

This report was approved by the board and signed on its behalf.

R Johnson
Director

Date: 28 July 2021

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2021**

The directors present their report and the financial statements for the year ended 31 March 2021.

Directors' responsibilities statement

The directors are responsible for preparing the Strategic report, the 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

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

- select suitable accounting policies for the Company's financial statements 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 financial statements;
- 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 to 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.

Principal activity

The Company's principal activity continues to be that of stockbroking services.

Accounting framework

The Company has adopted Financial Reporting Standard 102 (FRS 102) in the preparation of the financial statements.

Baden Hill

On 1st August 2017 the Company entered in an agreement with Baden Hill LLP which operates as a trading name of Northland Capital Partners Limited providing corporate broking services to UK equities. Revenue generated through the Company is apportioned on the basis of origination. Further details are set out in note 26.

DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Principal risks and uncertainties

The Company's business is highly dependent on stock market conditions, the inherent risks arising in the markets and sectors in which its clients operate, and the wider geo-political environment, including risks arising from the UK's withdrawal from the EU, as a whole.

The Company is exposed to interest rate risk, liquidity risk, market risk, and credit risk. All risks are monitored by the Board of Directors and the management team and wherever possible mitigating action is taken.

The Company's policy in respect of interest rate risk and liquidity risk is to retain in readily accessible bank deposit accounts sufficient funds to enable the Company to meet its debts as they fall due, whilst earning interest at a commercial rate. The Company monitors its liquidity risk and financial resources on a continuous basis through rolling forecasts and expected cash flows.

The Company does not hold hedging instruments in respect of foreign currency risk, as the Directors consider the Company's foreign exchange balances and risks to be negligible.

The Company is primarily exposed to market risk arising from adverse movements in equity prices. Market risk is controlled by monitoring and administering tight limits on the level of equity positions. The maximum exposure to market risk is represented by the carrying value of the equity positions and derivative financial assets held. The Company does not use derivative financial instruments for speculative purposes.

The Company's principal financial assets are bank balances and cash, trade and other receivables, and investments.

The Company's credit risk is primarily attributable to its trade receivables. The amounts presented in the balance sheet are net of allowances for doubtful receivables. An allowance for impairment is made where there is an identified loss event which, based on previous experience, is evidence of a reduction in the recoverability of the cash flows. The Company has no significant concentration of credit risk, with exposure spread over a large number of counterparties and customers.

Details of future developments are included in the Strategic Report on page 1 of the financial statements.

Going concern

The Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis in preparing the annual financial statements.

Results and dividends

The profit for the year, after taxation, amounted to £242,907 (2020 - £45,370).

During the current or prior years no dividends were declared.

Directors

The directors who served during the year were:

R Johnson
T Maciver

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021**

Directors' indemnities

The Company has made qualifying third party indemnity provisions for the benefit of its Directors which were made during the year and remain in force at the date of this report.

Disclosure of information to auditors

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Post balance sheet events

There have been no significant events affecting the Company since the year end.

Auditors

The auditors, Elman Wall Limited, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board and signed on its behalf.

R Johnson

Director

Date: 28 July 2021

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF NORTHLAND CAPITAL PARTNERS LIMITED

Opinion

We have audited the financial statements of Northland Capital Partners Limited (the 'Company') for the year ended 31 March 2021, which comprise the Statement of comprehensive income, the Statement of financial position, the Statement of cash flows, the Statement of changes in equity and the related notes, including a summary of 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 Company's affairs as at 31 March 2021 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.

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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 forming our opinion, we have considered the adequacy of the disclosures made in the financial statements concerning the company's ability to continue as a going concern.

The financial statements do not include any adjustments that would result from a failure to continue as a going concern. In auditing the financial statements, we have concluded that the director's 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 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 director with respect to going concern are described in the relevant sections of this report.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF NORTHLAND CAPITAL PARTNERS LIMITED (CONTINUED)

Other information

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

We have nothing to report in this regard.

Opinion 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 Company and its 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, 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.

Responsibilities of directors

As explained more fully in the Directors' responsibilities statement set out on page 2, 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 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 Company or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF NORTHLAND CAPITAL PARTNERS LIMITED (CONTINUED)

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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 extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- Enquiry of management and those charged with governance around actual and potential litigation and claims
- Enquiry of entity staff in tax and compliance functions to identify any instances of non-compliance with laws and regulations;
- Reviewing minutes of meetings of those charged with governance;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance

with applicable laws and regulations

- Performing audit work over the risk of management override of controls, including testing of journal entries

and other adjustments for appropriateness, evaluating the business rationale of significant transactions

outside the normal course of business and reviewing accounting estimates for bias.

Owing to the inherent limitations of an audit there is unavoidable risk that we may not have detected some material misstatements in the financial statements even though we have properly planned and performed our audit in accordance with auditing standards. In addition as with any audit there remained a higher risk of nondetection of irregularities as these may involve collusion, forgery, intentional omissions, misrepresentation or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' Report.

Use of our report

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

Ian Palmer (Senior statutory auditor)

for and on behalf of
Elman Wall Limited

Chartered Accountants
Statutory Auditor

8th Floor
Becket House
36 Old Jewry
London
EC2R 8DD

28 July 2021

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2021**

	Note	2021 £	2020 £
Turnover	4	839,687	1,334,703
Cost of sales		(624,546)	(1,179,132)
Gross profit		<u>215,141</u>	<u>155,571</u>
Administrative expenses		(43,790)	(85,201)
Fair value movements		85,501	-
Operating profit	5	<u>256,852</u>	<u>70,370</u>
Interest payable and expenses	8	(12,603)	(25,000)
Profit before tax		<u>244,249</u>	<u>45,370</u>
Tax on profit	9	(1,342)	-
Profit for the financial year		<u><u>242,907</u></u>	<u><u>45,370</u></u>

There were no recognised gains and losses for 2021 or 2020 other than those included in the statement of comprehensive income.

There was no other comprehensive income for 2021 (2020:£NIL).

The notes on pages 14 to 31 form part of these financial statements.

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	10	3,165	-
Investments	11	428,500	261,000
		<u>431,665</u>	<u>261,000</u>
Current assets			
Debtors		159,711	131,536
Current asset investments		-	4
Derivative financial assets		-	44,499
Cash at bank and in hand	14	94,007	51,801
		<u>253,718</u>	<u>227,840</u>
Creditors: amounts falling due within one year	15	(283,414)	(179,778)
Net current (liabilities)/assets		<u>(29,696)</u>	<u>48,062</u>
Total assets less current liabilities		<u>401,969</u>	<u>309,062</u>
Creditors: amounts falling due after more than one year	16	(100,000)	(250,000)
Net assets		<u><u>301,969</u></u>	<u><u>59,062</u></u>
Capital and reserves			
Called up share capital	19	2,040,627	2,040,627
Share premium account	20	3,382,850	3,382,850
Capital redemption reserve	20	1,368	1,368
Profit and loss account	20	(5,122,876)	(5,365,783)
		<u><u>301,969</u></u>	<u><u>59,062</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 28 July 2021.

R Johnson
Director

The notes on pages 14 to 31 form part of these financial statements.

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2021**

	Called up share capital £	Share premium account £	Capital redemption reserve £	Profit and loss account £	Total equity £
At 1 April 2019	2,041,995	3,382,850	1,368	(5,409,785)	16,428
Comprehensive income for the year					
Profit for the year	-	-	-	45,370	45,370
Total comprehensive income for the year	-	-	-	45,370	45,370
Purchase of own shares	-	-	-	(1,368)	(1,368)
Transfer on purchase of own shares	(1,368)	-	-	-	(1,368)
At 1 April 2020	2,040,627	3,382,850	1,368	(5,365,783)	59,062
Comprehensive income for the year					
Profit for the year	-	-	-	242,907	242,907
Total comprehensive income for the year	-	-	-	242,907	242,907
At 31 March 2021	<u>2,040,627</u>	<u>3,382,850</u>	<u>1,368</u>	<u>(5,122,876)</u>	<u>301,969</u>

The notes on pages 14 to 31 form part of these financial statements.

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2021

	2021 £	2020 £
Cash flows from operating activities		
Profit for the financial year	242,907	45,370
Adjustments for:		
Depreciation of tangible assets	285	-
Interest paid	12,603	25,000
Taxation charge	1,342	-
(Increase)/decrease in debtors	(28,175)	119,679
Increase/(decrease) in creditors	110,568	(85,123)
Increase/(decrease) in amounts owed to groups	100,000	(90,405)
Net fair value (gains)/losses recognised in P&L	(85,501)	-
Corporation tax (paid)/received	(1,342)	-
Net cash generated from operating activities	352,687	14,521
Cash flows from investing activities		
Purchase of equipment	(3,450)	-
Purchase of listed investments	(81,999)	-
Proceeds on disposal of trading activities	4	-
(Increase)/decrease in fair value of derivative assets	44,499	(41,981)
Net cash from investing activities	(40,946)	(41,981)
Cash flows from financing activities		
Repayment of other loans	(256,164)	-
Interest paid	(12,603)	(25,000)
Net cash used in financing activities	(268,767)	(25,000)
Net increase/(decrease) in cash and cash equivalents	42,974	(52,460)
Cash and cash equivalents at beginning of year	51,033	103,493
Cash and cash equivalents at the end of year	94,007	51,033
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	94,007	51,801
Bank overdrafts	-	(768)
	94,007	51,033

ANALYSIS OF NET DEBT
FOR THE YEAR ENDED 31 MARCH 2021

	At 1 April 2020	Cash flows	Other non-cash changes	At 31 March 2021
	£	£	£	£
Cash at bank and in hand	51,801	42,377	-	94,178
Bank overdrafts	(768)	768	-	-
Debt due after 1 year	(250,000)	150,000	-	(100,000)
Debt due within 1 year	(6,164)	6,164	-	-
Liquid investments	44,501	-	(44,501)	-
	<u>(160,630)</u>	<u>199,309</u>	<u>(44,501)</u>	<u>(5,822)</u>

The notes on pages 14 to 31 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

1. General information

Northland Capital Partners Limited (the "Company") is a private limited company incorporated in the United Kingdom under the Companies Act. The address of the registered office is given on the Company Information page. The nature of the Company's operations and its principal activities are set out in the Directors' Report on page 2.

The financial statements have been prepared under the historical cost convention, modified to include certain items at fair value, and in accordance with Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Going concern

The Company's business activities, together with the factors likely to affect its future development, performance and position are set out in the strategic report. The directors' report further describes the financial position of the Company; its cash flows, liquidity position and borrowing facilities; the Company's objectives, policies and processes for managing its capital; its financial risk management objectives; details of its financial instruments and hedging activities and its exposure to credit risk and liquidity risk.

The Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

2. Accounting policies (continued)

2.3 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Computer equipment	-	33% straight-line method
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The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

2. Accounting policies (continued)

2.4 Financial instruments

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

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 company in question after deducting all of its liabilities.

(i) Financial assets and liabilities

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction cost), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the balance sheet when there exists a legally enforceable right to set off the recognised amounts and the Company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Debt instruments which meet the following conditions are subsequently measured at amortised cost using the effective interest method:

(a) The contractual return to the holder is (i) a fixed amount; (ii) a positive fixed rate or a positive variable rate; or (iii) a combination of a positive or a negative fixed rate and a positive variable rate.

(b) The contract may provide for repayments of the principal or the return to the holder (but not both) to be linked to a single relevant observable index of general price inflation of the currency in which the debt instrument is denominated, provided such links are not leveraged.

(c) The contract may provide for a determinable variation of the return to the holder during the life of the instrument, provided that (i) the new rate satisfies condition (a) and the variation is not contingent on future events other than (1) a change of a contractual variable rate; (2) to protect the holder against credit deterioration of the issuer; (3) changes in levies applied by a central bank or arising from changes in relevant taxation or law; or (ii) the new rate of interest and satisfies condition (a).

(d) There is no contractual provision that could, by its terms, result in the holder losing the principal amount or any interest attributable to the current period or prior periods.

(e) Contractual provisions that permit the issuer to prepay a debt instrument or permit the holder to put it back to the issuer before maturity are not contingent on future events, other than to protect the holder against the credit deterioration of the issuer or a change in control of the issuer, or to protect the holder or issuer against changes in levies applied by a central bank or arising from changes in relevant taxation or law.

(f) Contractual provisions may permit the extension of the term of the debt instrument, provided that the return to the holder and any other contractual provisions applicable during the extended term satisfy the conditions of paragraphs (a) to (c).

Debt instruments that are classified as payable or receivable within one year on initial recognition and which meet the above conditions are measured at the undiscounted amount of the cash or other consideration expected to be paid or

received, net of impairment. Other debt instruments not meeting these conditions are measured at fair value through profit or loss. Commitments to make and receive loans which meet the conditions mentioned above are measured at cost (which may be nil) less impairment.

Financial assets are derecognised when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the Company transfers to another party substantially all of the risks and

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

2. Accounting policies (continued)

rewards of ownership of the financial asset, or c) the Company, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised when the obligation specified in the contract is discharged, cancelled or expires.

(ii) Investments

Investments in non-convertible preference shares and non puttable ordinary or preference shares (where shares are publicly traded or their fair value is reliably measureable) are measured at fair value through profit or loss. Where fair value cannot be measured reliably, investments are measured at cost less impairment.

In the Company balance sheet, investments in subsidiaries and associates are measured at cost less impairment. For investments in subsidiaries acquired for consideration including the issue of shares qualifying for merger relief, cost is measured by reference to the nominal value of the shares issued plus fair value of other consideration. Any premium is ignored.

(iii) Equity instruments

Equity instruments issued by the Company are recorded at the fair value of cash or other resources received or receivable, net of direct issue costs.

(iv) Derivative financial instruments

The Company does not hold or issue derivative financial instruments for speculative purposes.

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently re-measured to their fair value at each reporting date. The resulting gain or loss is recognised in profit or loss immediately, and recognised in turnover as trading income.

Derivative financial assets are included within debtors in the financial statements.

(v) Fair value measurement

The best evidence of fair value is a quoted price for an identical asset in an active market. When quoted prices are unavailable, the price of a recent transaction for an identical asset provides evidence of fair value as long as there has not been a significant change in economic circumstances or a significant lapse of time since the transaction took place. If the market is not active and recent transactions of an identical asset on their own are not a good estimate of fair value, the fair value is estimated by using a valuation technique.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

2. Accounting policies (continued)

2.5 Impairment of assets

Assets, other than those measured at fair value, are assessed for indicators of impairments at each balance sheet date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss as described below.

Non-financial assets

An asset is impaired where there is objective evidence that, as a result of one or more events that occurred after initial recognition, the estimated recoverable value of the asset has been reduced. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

Where indicators exist for a decrease in impairment loss, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised. Where a reversal of impairment occurs in respect of a Cash Generating Unit (CGU), the reversal is applied first to the assets (other than goodwill) of the CGU on a pro-rata basis and then to any goodwill allocated to that CGU.

Financial assets

For financial assets carried at amortised cost, the amount of an impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

For financial assets carried at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that would be received for the asset if it were to be sold at the reporting date.

Where indicators exist for a decrease in impairment loss, and the decrease can be related objectively to an event occurring after the impairment was recognised, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired financial asset to the extent that the revised recoverable amount value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

2. Accounting policies (continued)

2.6 Taxation

Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of financial position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

2.7 Turnover

Turnover is stated net of VAT and trade discounts and is recognised when the significant risks and rewards are considered to have been transferred to the buyer. Turnover from the supply of services represents the value of services provided under contracts to the extent that there is a right to consideration and is recorded at the fair value of the consideration received or receivable. Where a contract has only been partially completed at the balance sheet date turnover represents the fair value of the service provided to date based on the stage of completion of the contract activity at the balance sheet date. Where payments are received from customers in advance of services provided, the amounts are recorded as deferred income and included as part of creditors due within one year.

2.8 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

2. Accounting policies (continued)

2.9 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

2.10 Share based payments

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

The fair value of the award also takes into account non-vesting conditions. These are either factors beyond the control of either party (such as a target based on an index) or factors which are within the control of one or other of the parties (such as the Company keeping the scheme open or the employee maintaining any contributions required by the scheme).

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

Where equity instruments are granted to persons other than employees, profit or loss is charged with fair value of goods and services received.

2.11 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.12 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

Investments in unlisted Company shares, whose market value can be reliably determined, are remeasured to market value at each balance sheet date. Gains and losses on remeasurement are recognised in the Statement of comprehensive income for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

Investments in listed company shares are remeasured to market value at each Statement of financial position date. Gains and losses on remeasurement are recognised in profit or loss for the period.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

2. Accounting policies (continued)

2.13 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.14 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Statement of cash flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Company's cash management.

2.15 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.16 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

Investments in non-derivative instruments that are equity to the issuer are measured:

- at fair value with changes recognised in the Statement of comprehensive income if the shares are publicly traded or their fair value can otherwise be measured reliably;
- at cost less impairment for all other investments.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of comprehensive income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

2. Accounting policies (continued)

2.16 Financial instruments (continued)

for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the Statement of financial position when there is an 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.

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 income as appropriate. The company does not currently apply hedge accounting for interest rate and foreign exchange derivatives.

3. Judgements in applying accounting policies and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in note 2, the Directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

Critical judgements in applying the Company's accounting policies

The following are the critical judgements, apart from those involving estimations (which are dealt with separately below), that the Directors have made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

Derivative financial assets

The Company receives derivative financial assets through the normal course of its business. The fair value of derivative financial assets is reviewed at each balance sheet date by use of the Black-Scholes pricing model. The Company treats its derivative financial assets as a portfolio and estimates volatility (a key input to the Black-Scholes model) based on the volatility of the Aim index. Where an individual derivative instrument is particularly significant compared to the portfolio as a whole, the volatility of the individual underlying instrument, rather than the Aim index is used as an input in the pricing model. For the derivatives valued using a portfolio approach, the volatility used is a subjective judgement.

Valuation of equity-settled share-based payments

The company values its equity-settled share options by use of the Black-Scholes pricing model. The Black-Scholes model requires the use of estimates as disclosed in accounting policy note 2.10.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

4. Turnover

An analysis of turnover by class of business is as follows:

	2021 £	2020 £
Corporate finance and stockbroking services	717,709	1,117,874
Other income and fair value movements	121,978	216,829
	<u>839,687</u>	<u>1,334,703</u>

An analysis of the Company's turnover by class of business is set out below.

	2021 £	2020 £
United Kingdom	839,687	1,334,703
Rest of Europe	-	-
Rest of the World	-	-
	<u>839,687</u>	<u>1,334,703</u>

5. Operating profit

The operating profit is stated after charging:

	2021 £	2020 £
Exchange differences	3,416	300
Other operating lease rentals	<u>631</u>	<u>631</u>

6. Auditors' remuneration

Fees payable to the Company's auditor and its associates in respect of:

Audit-related assurance services	13,500	13,500
	<u>13,500</u>	<u>13,500</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

7. Employees

Staff costs were as follows:

	2021 £	2020 £
Wages and salaries	44,798	47,400
	<u>44,798</u>	<u>47,400</u>

The Company has no employees other than the directors, who did not receive any remuneration (2020 - £NIL).

8. Interest payable and similar expenses

	2021 £	2020 £
Other loan interest payable	12,603	25,000
	<u>12,603</u>	<u>25,000</u>

9. Taxation

	2021 £	2020 £
Corporation tax		
Adjustments in respect of previous periods	1,342	-
Total current tax	<u>1,342</u>	<u>-</u>
Deferred tax		
Origination and reversal of timing differences	-	-
Decrease in estimate of recoverable deferred tax asset	-	-
Total deferred tax	<u>-</u>	<u>-</u>
Taxation on profit on ordinary activities	<u>1,342</u>	<u>-</u>

The Company has unused trading losses and allowances of £7,211,008 (2020: £7,399,324) in respect of which it has not recognised a deferred tax asset as there is insufficient certainty that the losses will be utilised.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

9. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is the same as (2020 - the same as) the standard rate of corporation tax in the UK of 19% (2020 - 19%) as set out below:

	2021 £	2020 £
Profit on ordinary activities before tax	<u>244,249</u>	<u>45,370</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2020 - 19%)	46,407	8,620
Effects of:		
Expenses not deductible for tax purposes	694	1,765
Adjustments to tax charge in respect of prior periods	1,342	-
Deferred tax not recognised	(47,101)	(10,385)
Total tax charge for the year	<u><u>1,342</u></u>	<u><u>-</u></u>

10. Tangible fixed assets

	Computer equipment £
Cost or valuation	
Additions	3,450
At 31 March 2021	<u>3,450</u>
Depreciation	
Charge for the year on owned assets	285
At 31 March 2021	<u>285</u>
Net book value	
At 31 March 2021	<u><u>3,165</u></u>
At 31 March 2020	<u><u>-</u></u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**
11. Fixed asset investments

	Investments in subsidiary companies £	Investments in associates £	Listed investments £	Total £
Cost or valuation				
At 1 April 2020	1,000	260,000	-	261,000
Additions	-	-	81,999	81,999
Revaluations	-	-	85,501	85,501
At 31 March 2021	<u>1,000</u>	<u>260,000</u>	<u>167,500</u>	<u>428,500</u>

Subsidiary undertaking

The following was a subsidiary undertaking of the Company:

Name	Principal activity	Class of shares	Holding
Swan Alley (Nominees) Limited	Dormant	Ordinary Shares	100 %

The aggregate of the share capital and reserves as at 31 March 2021 and the profit or loss for the year ended on that date for the subsidiary undertaking was as follows:

Name	Profit/(Loss)
Swan Alley (Nominees) Limited	1,000

Swan Alley (Nominees) Limited has claimed exemption from audit under s479A of the Companies Act 2006.

Swan Alley (Nominees) Limited is a dormant company as defined by the Companies Act 2006, with registered address Prince Fredrick House, 35-39 Maddox Street, London, England, W1S 2PP, and is not consolidated in the financial statements of Northland Capital Partners Limited.

12. Debtors

	2021 £	2020 £
Trade debtors	43,040	28,737
Other debtors	110,111	92,906
Prepayments and accrued income	6,560	9,893
	<u>159,711</u>	<u>131,536</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

13. Derivative financial assets

	2021 £	2020 £
Derivative financial assets	-	44,499
	<u>-</u>	<u>44,499</u>

14. Cash and cash equivalents

	2021 £	2020 £
Cash at bank and in hand	94,007	51,801
Less: bank overdrafts	-	(768)
	<u>94,007</u>	<u>51,033</u>

15. Creditors: Amounts falling due within one year

	2021 £	2020 £
Bank overdrafts	-	768
Other loans	-	6,164
Trade creditors	39,507	6,921
Amounts owed to group undertakings	1,000	1,000
Other taxation and social security	3,200	-
Other creditors	100	1,468
Accruals and deferred income	239,607	163,457
	<u>283,414</u>	<u>179,778</u>

16. Creditors: Amounts falling due after more than one year

	2021 £	2020 £
Other loans	-	250,000
Amounts owed to group undertakings	100,000	-
	<u>100,000</u>	<u>250,000</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

17. Loans

Analysis of the maturity of loans is given below:

	2021 £	2020 £
Amounts falling due within one year		
Other loans	-	6,164
	<hr/>	<hr/>
	-	6,164
	<hr/>	<hr/>
Amounts falling due 2-5 years		
Other loans	-	250,000
	<hr/>	<hr/>
	-	256,164
	<hr/>	<hr/>

18. Financial instruments and risk management

Capital risk management

The Company manages its capital to ensure that it is able to continue as a going concern. The capital structure consists solely of shareholders' equity, comprising issued capital, reserves, and retained earnings.

Externally imposed capital requirement

The Company is subject to the Capital Requirements Directive, which sets out minimum levels of capital required to carry out certain regulated activities. The Company was compliant with its regulatory capital requirements at 31 March 2021.

Liquidity risk management

The Company monitors its cash flow on a daily basis to ensure that cash flows will adequately meet future funding commitments.

Financial assets

	2021 £	2020 £
Measured at fair value through profit or loss		
• Fixed asset listed investments	85,501	-
• Derivative financial assets	-	44,499
Measured at undiscounted amount receivable		
• Trade and other debtors	156,945	117,348
	<hr/>	<hr/>
	242,446	161,847
	<hr/>	<hr/>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

Financial liabilities

Measured at amortised cost		
• Loans payable	100,000	256,164
Measured at undiscounted amount payable		
• Trade and other creditors	39,607	8,389
	<u>139,607</u>	<u>264,553</u>

The Company's income, expense, gains and losses in respect of financial instruments are summarised below:

Interest expense		
Total interest expense for financial liabilities at amortised cost	12,603	25,000
Fair value gains and (losses)		
On financial assets (including listed investments) measured at fair value through profit or loss	85,501	41,981

All financial assets measured at fair value through profit or loss can be classified as Level 1 or Level 2 in the fair value hierarchy. There were no movements of financial assets into or out of fair value hierarchy classifications.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

19. Share capital

	2021 £	2020 £
Allotted, called up and fully paid		
262,052,600 (2020 - 262,052,621) Ordinary 0.01p shares shares of £0.0001 each	26,205	26,205
203,448,500 (2020 - 203,448,500) Deferred 0.99p shares shares of £0.0099 each	2,014,140	2,014,140
2,821,528 (2020 - 16,496,530) A Ordinary 0.01p shares shares of £0.0001 each	282	282
	<u>2,040,627</u>	<u>2,040,627</u>

Purchase of own shares

On 27 November 2019 the company purchased for cancellation 13,675,002 of its own A Ordinary shares of 0.01 pence each from Northland Capital Partners Limited Employee Benefit Trust for a consideration of £376.

A Ordinary 0.01 pence shares

On 16 September 2015 the Company amended its Articles of Association by special resolution and created a second class of Ordinary shares, the A Ordinary 0.01 pence shares rank pari passu with the Ordinary 0.01 pence shares except that, no A Ordinary shareholder shall transfer, sell, encumber or dispose of any shares without the consent of the Board of Directors.

Deferred 0.99 pence shares

Following a subdivision of shares by written resolution on 26 February 2015, 203,448,500 deferred 0.99 pence shares were created, and at both 31 March 2019 and 31 March 2018, there were 203,448,500 deferred 0.99 pence shares in issue. The Deferred shares carry no right to attend or vote at a general meeting, no right to receive a dividend, and the right to a return of assets in a winding up only after the repayment of capital on the ordinary shares and the payment of £100,000,000 per ordinary share.

20. Reserves

Share premium account

Includes all current and prior period share premium payments.

Capital redemption reserve

Records the nominal value of shares repurchased by the company.

Profit and loss account

Includes all current and prior period retained profit and losses.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

21. Related party transactions

SP Angel Corporate Finance LLP, in which the Company is a member, owed Northland Capital Partners Limited £56,625 (2020: £60,980) as at the year end.

Swan Alley (Nominees) Limited, the subsidiary company, was owed £1,000 (2020: £1,000) by the Company as at the year end.

SCI Holdings INC, the holding company, was owed £100,000 (2020: £nil) by the Company as at the year end.

The Group has taken the exemption available to not disclose transactions within the year, between wholly owned subsidiaries.

22. Baden Hill

On 1st August 2017 the Company entered into an agreement with Baden Hill LLP, (registered in England and Wales as number OC372657) which operates as a boutique corporate finance advisor offering a range of investment banking services based around relationship-driven investment advice, research, sales and trading ideas in UK and European mid and large cap equities. Baden Hill operates as a trading name of the company and all turnover generated as a result of this agreement is invoiced by the Company and then, depending on the apportionment agreed by the Company with Baden Hill for each transaction, an amount is remitted to Baden Hill after deducting certain agreed charges. Consequently, turnover is grossed up by Baden Hill related transactions. In the financial year ended 2021 total turnover attributable to the Baden Hill arrangement was £570,473 (2020: £1,120,300). The agreement is subject to cancellation with six months' notice following the first anniversary of signing.

23. Controlling party

Mr Robert Alan Johnson, a director of the Company, and members of his close family, control the Company as a result of controlling, directly or indirectly, 77.09 per cent of the issued share capital of the Company.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.