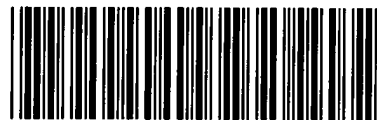


**BROOKS MACDONALD FINANCIAL
CONSULTING LIMITED**

**ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020**

Company number: 02621847

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Company Information

Directors

The directors of the Company who were in office during the year and up to the date of signing of the Annual Report and Financial Statements were:

C M Connellan
A M Keane-Munday
A W Shepherd
B L Thorpe
N H Lawes (resigned 5 May 2020)

Company Secretary

P Naylor (appointed 31 March 2020)
S Broomfield (resigned 31 March 2020)

Trading Office

21 Lombard Street, London EC3V 9AH

Registered Office

21 Lombard Street, London EC3V 9AH

Registered Number

02621847

Independent Auditors

PricewaterhouseCoopers LLP, Chartered Accountants and Statutory Auditors
7 More London Riverside, London, SE1 2RT

Bankers

The Royal Bank of Scotland plc
40 Islington High Street, London, N1 8JX

Report of the Directors

The directors present their Annual Report and audited Financial Statements for the Company for the year ended 30 June 2020. The Company has taken advantage of the exemption from preparing a Strategic Report as the Company is classified as a small company.

Directors

The directors of the Company who were in office during the year and up to the date of signing of the Annual Report and Financial Statements are listed on page 1.

Principal Activities and Business Review

The principal activity of the Company during the year was the provision of financial consulting services. The Company is a wholly owned subsidiary of Brooks Macdonald Group plc.

The Company's revenue for the year was £3,831,231 (2019: £3,557,230), an increase of 8%. After allowing for administrative expenses and other losses totalling £5,171,339 (2019: £5,483,426), this produced an operating loss of £1,393,647 (2019: loss £1,926,196).

The Company has continued to deliver fee based financial planning and ancillary services to high net worth individuals.

Future developments

The directors intend to focus on the Company's financial planning services through expansion of clients and proposition by continuing to offer high quality advice to high net worth individuals and families and working in collaboration with other professional advisers.

Financial risk management

The Board of Directors reviews and agrees policies for managing its risk exposure. Risk policies have been devised by the ultimate parent company, Brooks Macdonald Group plc, which the Board of Directors of the Company have been involved with. The risk policies and framework applicable to the Company are presented in the Risk section of Brooks Macdonald Group plc's Annual Report and Financial Statements for the year ended 30 June 2020, which is presented on the ultimate parent company's website at www.brooksmacdonald.com. The Company's Pillar III disclosure is also presented on the ultimate parent company's website at www.brooksmacdonald.com.

COVID-19

A large proportion of Company's fee revenues are driven by the FUM values at each quarter end and as a result fees were affected by the sharp decline in global markets caused by the outbreak of COVID-19 during the second half of the financial year, as well as the resulting economic uncertainty. The ultimate parent company, Brooks Macdonald Group plc's business continuity planning allowed the Company and its fellow subsidiary companies to react effectively to the crisis, moving to home-working and continuing to operate as normal. The Company's immediate priority in these unprecedented times has been protecting the health and safety of its staff while ensuring it continues to provide excellent service to clients and advisers. The outbreak continues to cause increased market volatility and with the scale and duration of the current disruption unknown, it is difficult to predict the full, future impact on the Company. However, the Directors of the Company believe the Company is well placed both operationally and financially, along with the support of the ultimate parent company, to continue to operate will and monitor and manage the situation as it unfolds.

Results and Dividends

The loss for the financial year after taxation was £1,426,716 (2019: loss £1,712,962). During the year ended 30 June 2020, no dividends were paid. No final dividend was declared (2019: £nil).

It is proposed that the loss of £1,426,716 (2019 loss: £1,712,962) is to be transferred to reserves.

Report of the Directors**Statement of Directors' Responsibilities in respect of the Financial Statements**

The directors are responsible for preparing the Annual Report and the Financial Statements in accordance with applicable law and regulation.

Company law requires the directors to prepare Financial Statements for each financial year. Under that law the directors have prepared the Financial Statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", 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 of the profit or loss of the Company for that period. In preparing the Financial Statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 101, have been followed, subject to any material departures disclosed and explained in the Financial Statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors 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.

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.

Directors' confirmations

In the case of each director in office at the date the Report of the Directors is approved:

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

On behalf of the Board



B L Thorpe
Director

14 September 2020

Independent auditors' report

to the members of Brooks Macdonald Financial Consulting Limited

Report on the audit of the Financial Statements

Opinion

In our opinion, Brooks Macdonald Financial Consulting Limited's Financial Statements:

- give a true and fair view of the state of the company's affairs as at 30 June 2020 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the Financial Statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: the statement of financial position as at 30 June 2020; the statement of comprehensive income and the statement of changes in equity for the year then ended; and the notes to the Financial Statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the Financial Statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the Financial Statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the Financial Statements is not appropriate; or
- the directors have not disclosed in the Financial Statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the Financial Statements are authorised for issue.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the Financial Statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the Financial Statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the Financial Statements or a material misstatement of the other information. 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 based on these responsibilities.

With respect to the Strategic Report and Report of Directors, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

Independent auditors' report**to the members of Brooks Macdonald Financial Consulting Limited***Strategic Report and Report of the Directors*

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic Report and Report of Directors for the year ended 30 June 2020 is consistent with the Financial Statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic Report and Report of Directors.

Responsibilities for the Financial Statements and the audit*Responsibilities of the directors for the Financial Statements*

As explained more fully in the Statement Directors' Responsibilities set out on page 4, the directors are responsible for the preparation of the Financial Statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they 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.

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.

A further description of our responsibilities for the audit of the Financial Statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

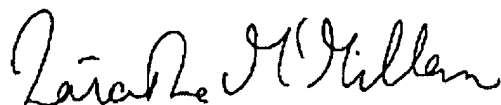
This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting**Companies Act 2006 exception reporting**

Under the Companies Act 2006 we are required to report to you if, in our opinion:

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

We have no exceptions to report arising from this responsibility.



Natasha McMillan (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
14 September 2020

BROOKS MACDONALD FINANCIAL CONSULTING LIMITED

**ANNUAL REPORT AND FINANCIAL
STATEMENTS 2020**

**Statement of Comprehensive Income
for the year ended 30 June 2020**

	Note	2020 £	2019 £
Revenue	3	3,831,231	3,557,230
Administrative expenses		(5,171,339)	(5,483,426)
Other losses	9	(53,539)	-
Operating loss from continuing operations	4	(1,393,647)	(1,926,196)
Finance income	9	7,425	5,412
Loss before taxation from continuing operations		(1,386,222)	(1,920,784)
Tax (charge)/credit on loss	6	(39,494)	15,019
Loss from continuing operations		(1,425,716)	(1,905,765)
Profit from discontinued operations	7	-	192,803
Total comprehensive loss		(1,425,716)	(1,712,962)

The notes on pages 11 to 18 form an integral part of these Financial Statements.

Statement of Financial Position
as at 30 June 2020

	Note	2020 £	2019 £
Assets			
Non-current assets			
Deferred tax assets	6	42,661	82,155
Other receivables		-	93,300
		<u>42,661</u>	<u>175,455</u>
Current assets			
Trade and other receivables	8	3,582,873	35,538,435
Cash at bank and in hand		2,261,215	1,381,914
Financial assets at fair value through profit or loss	9	-	224,575
	12	<u>5,844,088</u>	<u>37,144,924</u>
Current liabilities			
Trade and other payables	10	(4,013,959)	(36,292,308)
Provisions for liabilities	12	<u>(122,739)</u>	<u>(79,171)</u>
		<u>(4,136,698)</u>	<u>(36,371,479)</u>
Net current assets		<u>1,707,390</u>	<u>773,445</u>
Total assets less current liabilities		<u>1,750,051</u>	<u>948,900</u>
Non-current liabilities			
Other payables	11	(8,046)	(39,018)
Provisions for liabilities	12	-	(2,000)
Net assets		<u>1,742,005</u>	<u>907,882</u>
Equity			
Called up share capital	13	2,006	2,006
Share premium account	14	8,729,660	6,229,660
Capital contribution		242,706	637,077
Accumulated losses		(7,232,367)	(5,960,861)
Total equity		<u>1,742,005</u>	<u>907,882</u>

The Financial Statements on pages 6 to 18 were approved by the board of directors on 14 September 2020 and were signed on its behalf by:



B L Thorpe
Director

Company registered number: 02621847

The notes on pages 9 to 18 form an integral part of these Financial Statements.

Statement of Changes in Equity
for the year ended 30 June 2020

	Note	Called up share capital £	Share premium account £	Capital contribution £	Accumulated losses £	Total equity £
At 1 July 2018		2,006	229,660	304,666	(4,335,732)	(3,799,400)
Loss for the financial year from continuing operations		-	-	-	(1,905,765)	(1,905,765)
Loss for the financial year from discontinued operations	7	-	-	-	(76,360)	(76,360)
Gain on disposal of discontinued operations	7	-	-	-	269,163	269,163
Total comprehensive loss		-	-	-	(1,712,962)	(1,712,962)
Share-based payments charge	15	-	-	420,244	-	420,244
Exercise on share-based payments		-	-	(87,833)	87,833	-
Issue of Shares	14	-	6,000,000	-	-	6,000,000
At 30 June 2019		2,006	6,229,660	637,077	(5,960,861)	907,882
Loss for the financial year		-	-	-	(1,425,716)	(1,425,716)
Total comprehensive loss		-	-	-	(1,425,716)	(1,425,716)
Share-based payments charge	15	-	-	79,183	-	79,183
Exercise on share-based payments		-	-	(154,210)	154,210	-
Transfer of reserves to fellow group subsidiaries				(319,344)		(319,344)
Issue of shares	14	-	2,500,000	-	-	2,500,000
At 30 June 2020		2,006	8,729,660	242,706	(7,232,367)	1,742,005

The notes on pages 9 to 18 form an integral part of these Financial Statements.

**Notes to the Financial Statements
for the year ended 30 June 2020****1. General information**

Brooks Macdonald Financial Consulting Limited ("the Company") is a limited company incorporated and domiciled in the United Kingdom.

2. Principal accounting policies

These Financial Statements were prepared in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework'.

The Company has taken advantage of the following disclosure exemptions available under FRS101, paragraphs 5 – 9, in respect of:

- (a) the requirements of IFRS 7 Financial Instruments: Disclosures;
- (b) IFRS 13 Fair Value measurement;
- (c) Share-based payments; and
- (d) Intra-Group – related party transactions.

The exemptions have been applied on the basis that, where required, the equivalent disclosures are included in the consolidated financial statements of the parent company, Brooks Macdonald Group plc in which the Company is included. In applying the share-based payments exemption, the Company is not required to disclose a reconciliation of movements in share-based payment awards and these are instead included in the consolidated financial statement disclosures.

Cash flow statement

The Company has taken advantage of the exemption from preparing a cash flow statement under paragraph 8(h) of the disclosure exemptions from IFRS as adopted by the EU qualifying entities included in Financial Reporting Standard 101 Reduced Disclosure Framework (FRS101). Brooks Macdonald Group plc, the parent company, consolidated financial statements for the year ended 30 June 2020 contain a consolidated statement of cash flows.

Judgements and key sources of estimation and uncertainty

The preparation of these Financial Statements requires management to make assumptions, estimates and judgements that effect the amounts reported as assets and liabilities as at the statement of financial position date and the amounts reported as revenues and expenses during the year. Use of available information and the application of judgement are inherent in the formation of estimates. Actual results in the future may differ from those reported.

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

There have been no critical judgements required in applying the Company's accounting policies in this period, apart from those involving estimations which are detailed separately below.

The following key estimates have been made by the Directors in applying the Company's accounting policies:

- (i) *Income tax*
An estimate is required in determining the provision for income taxes due to uncertainty of the amount of income tax that may be payable, and in respect of determining the level of the future taxable profits of the Company that support the recoverability of the deferred tax asset.
- (ii) *Provisions*
The Company may receive complaints from clients in relation to the services provided. Complaints are assessed on a case-by-case basis and provisions are made where it is judged to be likely that compensation will be paid. The accounting policy for provisions and contingent liabilities is outlined in note 2(h).

**Notes to the Financial Statements
for the year ended 30 June 2020****2. Principal accounting policies (continued)**Going concern

These Financial Statements are prepared on the going concern basis, under the historical cost convention in accordance with the Companies Act 2006 and FRS101. After making enquiries, and the work performed and actions already taken by the ultimate parent company to respond to the COVID-19 pandemic, the directors have confidence that the company has adequate resources and support to continue in operational existence for the foreseeable future. The principal accounting policies of the Company which have been applied consistently throughout the year are set out below:

(a) Revenue

Financial services commissions and fees for other services are recognised when the related services are provided.

(b) Taxation

Tax on the loss of the year comprises current and deferred tax and is recognised in the Statement of Comprehensive Income. Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustments to tax payable in respect of previous years.

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

A net deferred tax asset is recognised as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits against which to recover carried forward tax losses and from which the future reversal of underlying timing differences can be deducted.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse based on tax rates and laws that have been enacted or substantively enacted by the Statement of Financial Position date. Deferred tax is measured on an undiscounted basis.

(c) Pension costs

Contributions in respect of the Company's money purchase pension scheme are charged to the Statement of Comprehensive Income for the year in which they fall due.

(d) Share-based payments

The Company operates a number of equity-settled, share-based option plans and has applied the requirements of FRS101 in relation to share-based payments. Equity settled share-based payments in relation to the equity share of the parent company, Brooks Macdonald Group plc, are measured at fair value at the date of grant and the equity settled share-based instrument is expensed on a straight line basis over the vesting period based on the number of shares that will eventually vest. The related credit is shown as a contribution from the parent company within equity reflective of the position that the Company has no obligation in respect of these share-based payments. The transactions when the options are exercised are dealt within the parent company financial statements in accordance with IFRS 2. No further charge to equity is made for the Company.

The Company has taken advantage of the IFRS 2 disclosure exemptions available on the basis that the equivalent disclosures are included in the consolidated financial statements of the parent company, Brooks Macdonald Group plc in which the Company is included.

**Notes to the Financial Statements
for the year ended 30 June 2020****2. Principal accounting policies (continued)****(e) Trade receivables**

Trade receivables represent amounts due for services performed in the ordinary course of business. They are generally due for settlement within 30 days and therefore are classified as current. Trade receivables are recognised initially at the amount of consideration that is unconditional, unless they contain significant financing components, when they are recognised at fair value. The Company holds trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method.

The Company applies the IFRS 9 simplified approach to measuring expected credit losses, which uses a lifetime expected credit loss allowance for all trade receivables and contract assets. To measure the expected credit losses, trade receivables and contract assets have been grouped based on shared credit risk characteristics, and the days past due. The Company has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets.

The expected loss rates are based on the payment profiles of sales over a period of 24 months, and the corresponding credit losses experienced within this period.

(f) Accrued Income

Turnover is recognised as it is earned in accordance with accounting policy (a) above. Where consideration is receivable after the Statement of Financial Position date, an appropriate accrual is made at the Statement of Financial Position date.

(g) Trade payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade payables are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities.

(h) Provisions and contingent liabilities

Provisions are recognised when the Company has a present obligation as a result of a past event which it is probable will result in an outflow of economic benefits that can be reliably estimated. Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation.

Where the outflow is not probable or cannot be reliably measured, the potential obligation is disclosed as a contingent liability in the Financial Statements.

Client compensation

Complaints are assessed on a case by case basis and provisions for compensation are made in accordance with the above accounting policy.

(i) Cash and foreign currency

Cash comprises cash in hand and cash on demand deposits which may be accessed without penalty. Cash equivalents comprise short term highly liquid investments with a maturity of less than three months from the date of acquisition.

The Financial Statements are presented in Great British Pound Sterling (£), which is the currency of the primary economic environment in which the Company operates, its functional currency.

Monetary assets and liabilities expressed in foreign currencies are translated into sterling at the rate of exchange ruling at the Statement of Financial Position date. All differences on exchange are dealt with in the Statement of Comprehensive Income.

Notes to the Financial Statements
for the year ended 30 June 2020

2. Principal accounting policies (continued)

(j) Share Capital

Ordinary share capital is classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Changes in accounting policies

In the year ended 30 June 2020, the Company did not adopt any new accounting standards and amendments issued by the International Accounting Standards Board ('IASB') or interpretations issued by the IFRS IC.

3. Revenue

Revenue represents the amounts earned for services provided net of value added tax and commissions earned from financial services activities. All revenue is derived in the United Kingdom.

	2020 £	2019 £
Fee income	3,466,982	3,484,664
Financial services commissions	364,249	72,566
	3,831,231	3,557,230

4. Operating loss before taxation from continuing operations

Operating loss before taxation is stated after charging:

	2020 £	2019 £
Staff costs (note 5)	2,504,872	2,530,879
Fees payable to the Company's auditors for the audit of the Company's Financial Statements	26,586	21,961
Fees payable to the auditors and their associates for other services:		
– Audit-related assurance services	5,202	4,244
Depreciation	-	103,367
Amortisation of intangible assets	-	55,110

During the year ended 30 June 2019, all intangible asset and property, plant & equipment balances were transferred to a fellow group subsidiary company.

Notes to the Financial Statements
for the year ended 30 June 2020

5. Employee information

(a) Staff costs

	2020 £	2019 £
Wages and salaries	2,082,519	2,059,265
Social security costs	181,472	229,272
Other pension costs	120,703	93,271
Share-based payments	59,556	82,522
Redundancy costs	60,622	66,549
	2,504,872	2,530,879
Pension contributions accrued but not paid	10,113	9,727

(b) Employees

The average monthly number of employees during the year was as follows:

	2020 number	2019 number
Staff from continuing operations	29	25
Staff from discontinued operations	-	5
Total staff	29	30

(c) Directors' emoluments

	2020 £	2019 £
Remuneration and benefits in kind	586,161	622,100
Amounts received under long term incentive schemes	17,840	-
Pension contributions – money purchase scheme	26,511	23,062
	630,512	645,162

The number of directors that exercised share options in the year was two (2019: one).

Retirement benefits are accruing to one (2019: two) director under a money purchase pension scheme.

	2020 £	2019 £
Highest paid director		
Remuneration and benefits in kind	372,695	353,308
Pension contribution to money purchase scheme	8,500	4,398
	381,195	357,706

The amount of gains made by the highest paid director on the exercise of share options during the year was £17,840 (2019: £nil).

The remuneration of C M Connellan and B L Thorpe is paid by the ultimate parent company and the remuneration of A W Shepherd is paid by fellow subsidiary companies. Their services to the Company and to a number of fellow subsidiaries are of a non-executive nature and their remuneration is deemed to be wholly attributable to their services to other group companies. Accordingly, the above details include no remuneration in respect of these directors.

**Notes to the Financial Statements
for the year ended 30 June 2020****6. Tax on loss of continuing operations**

The tax credit on the loss before taxation for the year was as follows:

	2020 £	2019 £
UK Corporation Tax	-	-
Total current tax	-	-
Research and development credit	-	(6,311)
Deferred taxation charge/(credit)	39,494	(8,708)
Income tax charge/(credit)	39,494	(15,019)

Factors affecting credit for year:

Loss from continuing operations before taxation	(1,386,222)	(1,920,784)
Profit from discontinued operations before taxation	-	192,803
Loss for the year before taxation	(1,386,222)	(1,727,981)
Loss before taxation multiplied by the standard rate of tax in the UK of 19% (2019: 19%)	(263,382)	(328,316)
Expenses not deductible for tax purposes	(91,355)	(116,641)
Depreciation and amortisation	565	90,732
Tax losses surrendered	368,978	397,107
Impact of share-based payments	24,688	(449)
Disposal of business	-	(51,141)
Research and development credit	-	(6,311)
Total tax charge/(credit)	39,494	(15,019)

During the year, the Company has surrendered losses of £1,941,989 (2019: £1,853,224) as group relief to a fellow group company for a consideration of £nil.

Deferred tax	2020 £	2019 £
Timing differences	42,661	82,155
Total deferred tax	42,661	82,155
At start of year	82,155	73,447
Deferred tax credit in the profit and loss for the year	(39,494)	8,708
At end of year	42,661	82,155

The deferred taxation charge of £39,494 (2019: £8,708 credit) represents a charge of £39,494 (2019: £16,982 credit) arising out of the cost of share-based payments at the Statement of Financial Position date and a charge of £nil (2019: £8,274) relating to accelerated capital allowances.

The directors consider that it is more likely than not that there will be sufficient taxable profits in the future as to realise the deferred tax asset, and therefore the asset has been recognised in these Financial Statements.

The standard rate of Corporation Tax in the UK changed to 19% with effect from 1 April 2017. Accordingly, the Company's profits for this accounting year are taxed at an effective rate of 19%.

It was announced and substantively enacted on 11 March 2020 that the UK corporation tax rate would remain at 19% and not reduce to 17% (the previously enacted rate) from 1 April 2020. As a result, the relevant deferred tax balances have been remeasured.

Notes to the Financial Statements
for the year ended 30 June 2020

7. Discontinued operations

On 31 December 2018 the Company disposed of its Employee Benefits operations. On disposal the contingent consideration receivable was estimated at £283,000, which was recognised at its fair value of £219,163 based on the discounted forecast cash flows. The final contingent consideration of £178,461 was received in February 2020, resulting in a reduction in the fair value of contingent consideration of £53,539.

	2020 £	2019 £
Loss of discontinued operations	-	(76,360)
Gain on disposal of discontinued operations	-	269,163
Profit before tax from discontinued operations	-	192,803
Taxation	-	-
Profit from discontinued operations	-	192,803

a) Loss of discontinued operations

	2020 £	2019 £
Revenue	-	231,773
Administrative costs	-	(308,133)
Loss from discontinued operations	-	(76,360)

b) Gain on disposal of discontinued operations

	2020 £	2019 £
Initial consideration received	-	50,000
Fair value of contingent consideration (note 9)	-	219,163
Total disposal consideration	-	269,163
Net assets on disposal	-	-
Gain on disposal of discontinued operations	-	269,163

8. Trade and other receivables

	2020 £	2019 £
Trade receivables	155,131	79,570
Amount owed by parent company	2,638,041	12,376,872
Amounts owed by fellow subsidiary companies	177,788	21,978,039
Other receivables	2,726	253,952
Corporation tax receivable	-	6,311
Prepayments and accrued income	609,187	843,691
	3,582,873	35,538,435

The amounts owed by the parent and fellow subsidiary companies represent unsecured loans, which have no fixed repayment date and are repayable on demand.

Notes to the Financial Statements
for the year ended 30 June 2020

9. Financial assets at fair value through profit or loss

	2020 £	2019 £
At 1 July	224,575	-
Additions	-	219,163
Finance income	7,425	5,412
Change in fair value of contingent consideration (note 7)	(53,539)	-
Contingent consideration received	(178,461)	-
At 30 June	-	224,575

The financial asset at fair value through profit or loss related to contingent consideration recognised in relation to the disposal of the Employee Benefits operations during the year ended 30 June 2019 (note 7).

10. Trade and other payables

	2020 £	2019 £
Trade payables	28,630	1,984,400
Amounts owed to fellow subsidiary companies	-	28,735,613
Other payables	(25,786)	181,020
Taxation and social security costs	3,480,598	2,541,277
Accruals and deferred income	530,517	2,849,998
	4,013,959	36,292,308

Included in accruals and deferred income is an accrual of £29,505 (2019: £56,218) in respect of employer's National Insurance Contributions arising from the share options awards arising under the Long Term Incentive Scheme ("LTIS") awards (note 15). These awards will be forfeited in total if the Company's performance fails to meet the minimum criteria. The options granted were valued based on the market price of the shares at the time the options were granted, which was calculated using the Black Scholes method, details of which are given in note 15. The total National Insurance Contribution charge in the year for all schemes was £67,344 rebate (2019: £15,302).

The amounts owed to fellow subsidiary companies represent loans, which have no fixed repayment date and are repayable on demand.

11. Other payables

	2020 £	2019 £
Other payables	8,046	39,018
	8,046	39,018

The non-current liability is in relation to National Insurance contributions payable by the Company on the exercise of employee issued share options, see note 15.

Notes to the Financial Statements
for the year ended 30 June 2020

12. Provisions for liabilities

	Client compensation £	FSCS Levy £	Total £
At 1 July 2018	11,074	62,173	73,247
Charge for the year	16,007	73,792	89,799
Released during the year	(25,081)	(56,794)	(81,875)
At 1 July 2019	2,000	79,171	81,171
Charge for the year	52,998	123,801	176,799
Released during the year	(37,660)	(97,571)	(135,231)
At 30 June 2020	17,338	105,401	122,739

a) Client compensation

Provisions for client compensation payments relate to the potential liability resulting from client complaints against the Company. The complaints are assessed on a case by case basis and provisions for compensation are made where it is, in the directors' view, more likely than not that a liability will arise. In those instances where it is concluded that a payment will be made, a provision is established to the management's best estimate of the amount required to settle the amount at the relevant Statement of Financial Position date. Given the uncertain nature of the complaints assessed on a case by case basis, the timing of expected payments are unknown.

b) FSCS levy

Following confirmation by the FSCS in April 2020 of its final industry levy for the 2020/21 scheme year, the Group has made a provision of £105,401 (2019: £79,171) for its estimated share.

13. Called up share capital

	2020 £	2019 £
Allotted, called up and fully paid		
40,126 (2019: 40,125) ordinary shares of 5p each	2,006	2,006

On 31 March 2020, the Company issued one ordinary share with a par value of 5p for £2,500,000.

14. Share premium

	2020 £	2019 £
At 1 July	6,229,660	229,660
Issue of shares	2,500,000	6,000,000
At 30 June	8,729,660	6,229,660

On 31 March 2020, the Company issued one ordinary share with a par value of 5p for £2,500,000.

**Notes to the Financial Statements
for the year ended 30 June 2020****15. Share-based payments**

In accordance with FRS101 the Company's parent undertaking, Brooks Macdonald Group plc, granted share options to the Company's employees. The options granted to the Company's employees consist of a share save scheme, long term incentive plan, an enterprise management incentive scheme, a company share option plan and a long term incentive scheme, which were valued on the basis of market prices at the time the options were granted and were calculated using the Black Scholes method with volatility ranging between 25% and 32%, on a historic price, covering the period to vesting date. The expected volatility was estimated on the basis of the share price history subsequent to flotation. The risk free interest rate was assessed as the yield on a gilt edged security with a maturity term of eleven months to three years. The options vest over a period of eleven months to three years and are subject to continued employment with the group. The options were valued at prices up to £18.30 per share.

The weighted average remaining contractual life of share options at the end of the year was 1.71 years (2019: 1.56 years) and, for share options exercised during the year, the weighted average share price at the date of exercise was £21.26 (2019: £18.39). Exercise prices for these options ranged from £nil to £17.25 (2019: £nil to £19.66).

The equity share option cost in the year ended 30 June 2020 amounted to £79,183 (2019: £420,244). During the year, the Company transferred a proportion of its share option reserve to a fellow group subsidiary due to transferral of employment of the Company's employees.

16. Ultimate parent company

The immediate and ultimate parent undertaking and controlling party is Brooks Macdonald Group plc, which is the smallest and largest group to consolidate these Financial Statements. Copies of the consolidated financial statements can be obtained from the Company Secretary at 21 Lombard Street, London, EC3V 9AH.

17. Related party transactions

The Company is exempt under paragraph 8(k) of the disclosure exemptions from IFRS as adopted by the EU included in FRS101 for qualifying entities from disclosing related party transactions with entities that form part of the Brooks Macdonald Group plc of which Brooks Macdonald Financial Consulting Limited is a subsidiary.

18. Contingent liabilities

A claim for unspecified losses has been made by a client against the Company in relation to alleged negligent financial advice. The claimant has not yet advised the quantum of their claim so it is not possible to reliably estimate the potential impact of a ruling in their favour. There remains significant uncertainty surrounding the claim and the Company's legal advice indicates that it is not probable that the claim will be upheld, therefore no provision for any liability has been recognised at this stage.

19. Events since the end of the year

No material events have occurred between the reporting date and the date of signing the Financial Statements.