

Company Registration No. 04163906 (England and Wales)

PERSPECTIVE (NORTH EAST) LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021
PAGES FOR FILING WITH REGISTRAR



PERSPECTIVE (NORTH EAST) LIMITED

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PERSPECTIVE (NORTH EAST) LIMITED

ACCOUNTANTS' REPORT TO THE BOARD OF DIRECTORS ON THE PREPARATION OF THE UNAUDITED STATUTORY FINANCIAL STATEMENTS OF PERSPECTIVE (NORTH EAST) LIMITED FOR THE YEAR ENDED 31 DECEMBER 2021

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Perspective (North East) Limited for the year ended 31 December 2021 which comprise, the balance sheet and the related notes from the company's accounting records and from information and explanations you have given us.

This report is made solely to the Board of Directors of Perspective (North East) Limited, as a body, in accordance with the terms of our engagement letter dated 15 February 2022. Our work has been undertaken solely to prepare for your approval the financial statements of Perspective (North East) Limited and state those matters that we have agreed to state to the Board of Directors of Perspective (North East) Limited, as a body, in this report. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Perspective (North East) Limited and its Board of Directors as a body, for our work or for this report.

It is your duty to ensure that Perspective (North East) Limited has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and profit of Perspective (North East) Limited. You consider that Perspective (North East) Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the financial statements of Perspective (North East) Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.

DocuSigned by:

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16 June 2022

Fleet House
New Road
Lancaster
United Kingdom
LA1 1EZ

PERSPECTIVE (NORTH EAST) LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Intangible assets	3	4,334,305		505,797	
Tangible assets	4	258,181		213,574	
Investments	5	10		10	
			4,592,496		719,381
Current assets					
Debtors	6	1,025,435		3,512,093	
Cash at bank and in hand		409,308		362,509	
			1,434,743		3,874,602
Creditors: amounts falling due within one year	7	(761,383)		(473,889)	
Net current assets			673,360		3,400,713
Total assets less current liabilities			5,265,856		4,120,094
Provisions for liabilities			11,326		92
Net assets			5,277,182		4,120,186
Capital and reserves					
Called up share capital	8	100,693		100,693	
Share premium account		1,004,660		1,004,660	
Profit and loss reserves		4,171,829		3,014,833	
Total equity			5,277,182		4,120,186

PERSPECTIVE (NORTH EAST) LIMITED

BALANCE SHEET (CONTINUED)

AS AT 31 DECEMBER 2021

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

For the financial year ended 31 December 2021 the company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The member has not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the board of directors and authorised for issue on 16 June 2022 and are signed on its behalf by:

DocuSigned by:



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Mr I M Wilkinson

Director

Company Registration No. 04163906

PERSPECTIVE (NORTH EAST) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

Company information

Perspective (North East) Limited is a private company limited by shares incorporated in England and Wales. The registered office is Lancaster House, Ackhurst Business Park, Foxhole Road, Chorley, Lancashire, United Kingdom, PR7 1NY.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

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

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

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

1.3 Turnover

Fee income on new business transactions is recognised when the client is signed up to the advice. Recurring fee income is recognised 45 days in advance of the cash receipts to reflect the timing lag between when client's assets become under the group's management and when income is actually received.

1.4 Intangible fixed assets - goodwill

Goodwill represents the excess of the cost of acquisition of unincorporated businesses over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite life and is amortised on a systematic basis over its expected economic useful life.

For the purposes of impairment testing, goodwill is allocated to the cash-generating units expected to benefit from the acquisition. Cash-generating units to which goodwill has been allocated are tested for impairment at least annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit.

1.5 Tangible fixed assets

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

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

Leasehold land and buildings	10% straight line
Fixtures and fittings	10% straight line
Computers	20% straight line

PERSPECTIVE (NORTH EAST) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.6 Fixed asset investments

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

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

An associate is an entity, being neither a subsidiary nor a joint venture, in which the company holds a long-term interest and where the company has significant influence. The company considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

Entities in which the company has a long term interest and shares control under a contractual arrangement are classified as jointly controlled entities.

1.7 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.8 Cash and cash equivalents

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

PERSPECTIVE (NORTH EAST) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

1.9 Financial instruments

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

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

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

Basic financial assets

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

Classification of financial liabilities

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

Basic financial liabilities

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

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

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

1.10 Equity instruments

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

1.11 Taxation

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

Current tax

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

PERSPECTIVE (NORTH EAST) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

Deferred tax

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

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.12 Employee benefits

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

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

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

1.13 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.14 Leases

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

2 Employees

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

	2021 Number	2020 Number
Total	46	38

PERSPECTIVE (NORTH EAST) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

3 Intangible fixed assets

	Goodwill £
Cost	
At 1 January 2021	973,838
Additions	4,078,920
At 31 December 2021	5,052,758
Amortisation and impairment	
At 1 January 2021	468,041
Amortisation charged for the year	250,412
At 31 December 2021	718,453
Carrying amount	
At 31 December 2021	4,334,305
At 31 December 2020	505,797

The goodwill acquired represents the company's acquisition of the trade and assets of Atkinson White Partnership LLP in the year.

4 Tangible fixed assets

	Leasehold land and buildings £	Fixtures and fittings £	Computers £	Total £
Cost				
At 1 January 2021	122,834	24,892	125,453	273,179
Additions	27,114	3,755	55,596	86,465
At 31 December 2021	149,948	28,647	181,049	359,644
Depreciation and impairment				
At 1 January 2021	15,658	5,187	38,760	59,605
Depreciation charged in the year	12,818	2,605	26,435	41,858
At 31 December 2021	28,476	7,792	65,195	101,463
Carrying amount				
At 31 December 2021	121,472	20,855	115,854	258,181
At 31 December 2020	107,176	19,705	86,693	213,574

PERSPECTIVE (NORTH EAST) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

5 Fixed asset investments

	2021 £	2020 £
Shares in group undertakings and participating interests	10	10

6 Debtors

	2021 £	2020 £
Amounts falling due within one year:		
Trade debtors	699,858	580,242
Amounts owed by group undertakings	-	2,761,930
Other debtors	168,365	40,094
Prepayments and accrued income	157,212	129,827
	<u>1,025,435</u>	<u>3,512,093</u>

7 Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	119,459	78,006
Amounts owed to group undertakings	171,227	-
Taxation and social security	49,377	44,540
Other creditors	14,727	7,035
Accruals and deferred income	406,593	344,308
	<u>761,383</u>	<u>473,889</u>

8 Called up share capital

	2021 Number	2020 Number	2021 £	2020 £
Ordinary share capital issued and fully paid				
Ordinary of 10p each	<u>1,006,934</u>	<u>1,006,934</u>	<u>100,693</u>	<u>100,693</u>

9 Operating lease commitments

Lessee

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

	2021 £	2020 £
	<u>800,883</u>	<u>879,458</u>

PERSPECTIVE (NORTH EAST) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

10 Related party transactions

Transactions with related parties

The company has taken advantage of the exemption contained in FRS102 from disclosing transactions entered into between two or more members of a group, provided that a subsidiary which is a party to the transaction is wholly owned by a member of a group.

	2021 £	2020 £
Amounts due to related parties		
Entities with control, joint control or significant influence over the company	171,227	-

The following amounts were outstanding at the reporting end date:

	2021 £	2020 £
Amounts due from related parties		
Entities with control, joint control or significant influence over the company	-	2,761,930

11 Parent company

At the balance sheet date the company was a 100% subsidiary of PFM Group Limited. Its registered office is Lancaster House, Ackhurst Business Park, Foxhole Road, Chorley, PR7 1NY.

The smallest company in which these results are consolidated is Perspective Financial Group Limited. Its registered office is Lancaster House, Ackhurst Business Park, Foxhole Road, Chorley, PR7 1NY.

Copies of these consolidated financial statements may be obtained from Companies House, Cardiff, CF14 3UZ.

At the balance sheet date the ultimate parent company was CBPE Capital LLP, a company registered in England and Wales. Its registered office is 2 George Yard, London, EC3V 9DH.