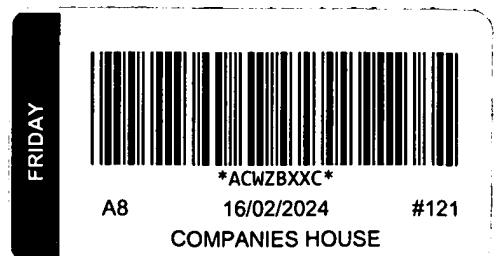


**Company registration no. 05428054 (England and Wales)**

**Core Financial Services Ltd**

**Annual Report and Financial Statements  
For the year ended 31 October 2023**



**Core Financial Services Ltd**  
**Annual Report and Financial Statements**

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**For the year ended 31 October 2023**

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**Company Information**

**For the year ended 31 October 2023**

**Directors**

Mr A Hudson

Mrs A Larvin

Mr H Robinson (Appointed 15 June 2023)

Mr P Wright (Resigned 30 June 2023)

**Auditor**

Saffery LLP

71 Queen Victoria Street

London

EC4V 4BE

**Registered Office**

AFH House

Buntsford Drive

Stoke Heath

Bromsgrove

Worcestershire

B60 4JE

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## **Directors' Report**

**For the year ended 31 October 2023**

The Directors submit their report for Core Financial Services Ltd for the year ended 31 October 2023.

### **DIRECTORS**

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

Mr A Hudson  
Mrs A Larvin  
Mr H Robinson

### **RESULTS AND DIVIDENDS**

The profit for the year, after taxation, amounted to £649,891 (2022: £461,535). The Directors have declared & paid a dividend of £750 for the year ended 31 October 2023 (2022: dividends paid of £nil).

### **STRATEGIC REPORT**

As permitted by section 414B of the Companies Act 2006, the Company is entitled to the small companies' exemption in relation the strategic report for the financial period.

### **PRINCIPAL ACTIVITIES**

The principal activity of the Company is that of a financial intermediary.

### **ECONOMIC ENVIRONMENT**

The 2023 financial year has been characterised by high inflation rates across the developed world and rising interest rates and quantitative tightening from central banks in response. Oil and Gas prices remain high with the embargo on Russian oil and gas in response to the war in Ukraine and compounded by the war in Israel, with OPEC contracting supply. Across the developed world markets are pricing in an expected recession. In the UK, personal and corporate taxes remain at a post war high to fund the increasing cost of government debt and to fund expansive government spending post covid-19.

With inflation rates reducing over the last few months, the Bank of England voted to hold interest rates at 5.25% in November. Market expectations are that we have now seen the peak of interest rates and that we will see these reduce to 4.75% by November 2024<sup>1</sup>. We anticipate that as rates begin to reduce, the risk of recession will reduce, driving an improvement in business and consumer confidence, and recovering trading conditions in the UK. The Directors are actively monitoring the position on a regular basis and reviewing cash flow forecasts. Following this period of volatility, we expect there to be increased demand for financial planning services, especially around tax and estate planning as our target market seek to mitigate their increasing tax burden exposure through ethical tax planning.

### **DIRECTORS' INDEMNITY**

The directors confirm that no qualifying third-party indemnity provision in favour of any of the directors of the company, as defined by s236 of the Companies Act 2006, either by the company or by any other party, was in force at the time of signing of this report, and that no such provision had been in force at any time in the financial year.

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<sup>1</sup> <https://www.xtb.com/en/education/uk-interest-rates-projections-in-the-next-5-years#:~:text=According%20to%20the%20latest%20implied,interest%20rates%20down%20to%204.75%25> – accessed 7 Dec 23 1050am

**Core Financial Services Ltd**  
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## **Directors' Report**

**For the year ended 31 October 2023**

### **ENVIRONMENTAL AND SAFETY CONSIDERATIONS**

Commitment to safety is the company's first consideration. The number of accidents is the first key performance indicator reported on to group every month. Any accidents at the workplace are recorded, fully investigated and corrective action instigated at the earliest opportunity. Active communication and training campaigns are implemented, and information is shared with the group. The company is fully involved in the group's Industrial Management System which aims to reduce both the incidence and the impact of accidents.

### **STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITOR**

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

- So far as that director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- That 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 auditor is aware of that information.

### **AUDITOR**

A resolution proposing that Saffery LLP be reappointed as auditor of the Company will be put to the members at the Annual General Meeting.

### **SMALL COMPANIES EXEMPTION**

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

DocuSigned by:

*Hayden Robinson*

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**Mr H Robinson**

Director

2 February 2024

**Core Financial Services Ltd**  
**Annual Report and Financial Statements**

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**Statement of Directors' responsibilities in respect of the  
financial statements**

**For the year ended 31 October 2023**

The directors are responsible for preparing 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that year.

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

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

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

**Core Financial Services Ltd**  
**Annual Report and Financial Statements**

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**Independent Auditor's Report to the members of Core  
Financial Services Ltd**

**For the year ended 31 October 2023**

**Opinion**

We have audited the financial statements of Core Financial Services Ltd for the year ended 31 October 2023 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101, 'Reduced Disclosure Framework' (UK 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 October 2023 and its profit for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice including FRS 101; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Basis for opinion**

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

**Conclusions relating to going concern**

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

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

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

**Other information**

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

**Core Financial Services Ltd**  
**Annual Report and Financial Statements**

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**Independent Auditor's Report to the members of Core Financial Services Ltd**

**For the year ended 31 October 2023**

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

We have nothing to report in this regard.

**Opinions on other matters prescribed by the Companies Act 2006**

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

- the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has 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 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; or
- the directors have chosen to take advantage of the small companies' exemptions from the requirement to prepare a Strategic Report and in preparing the Directors' Report.

**Responsibilities of directors**

As explained more fully in the Directors' Responsibilities Statement set out on page 4, 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.



**Core Financial Services Ltd**  
**Annual Report and Financial Statements**

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**Independent Auditor's Report to the members of Core  
Financial Services Ltd**

**For the year ended 31 October 2023**

**Auditor's responsibilities for the audit of the financial statements**

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

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

**Identifying and assessing risks related to irregularities:**

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

Laws and regulations of direct significance in the context of the company include The Companies Act 2006, UK Tax legislation and The Financial Services and Markets Act 2000, on which The Financial Conduct Authority (FCA) Handbook is based.

**Audit response to risks identified:**

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

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

**Core Financial Services Ltd**  
**Annual Report and Financial Statements**

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## **Independent Auditor's Report to the members of Core Financial Services Ltd**

**For the year ended 31 October 2023**

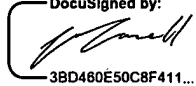
The company is regulated by the FCA. We discussed the company's authorisation and permitted activities with the SMF16 and obtained evidence of this from the FCA register. We obtained additional evidence about compliance by discussing any breaches with the SMF16 and SMF17 and reviewing correspondence with the FCA.

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

A further description of our responsibilities is available on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

### **Use of our report**

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

DocuSigned by:  
  
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Jamie Cassell (Senior Statutory Auditor)  
for and on behalf of Saffery LLP

Chartered Accountants  
Statutory Auditors  
71 Queen Victoria Street  
London  
EC4V 4BE

Date 02 February 2024

**Core Financial Services Ltd**  
**Annual Report and Financial Statements**

**Statement of Comprehensive Income**

For the year ended 31 October 2023

	Notes	2023 £	2022 £
<b>Revenue</b>	3	1,012,901	1,083,125
Cost of sales		(159,835)	(371,037)
<b>Gross profit</b>		<u>853,066</u>	<u>712,088</u>
Administration expenses		(203,132)	(250,553)
<b>Operating profit</b>	4	<u>649,934</u>	<u>461,535</u>
Other Income		(43)	-
<b>Profit before taxation</b>		<u>649,891</u>	<u>461,535</u>
Taxation	6	-	-
<b>Profit for the year</b>		<u>649,891</u>	<u>461,535</u>

All results derive from continuing operations.

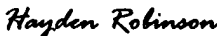
**Core Financial Services Ltd**  
**Annual Report and Financial Statements**  
**Company number 05428054**

## Statement of Financial Position

As at 31 October 2023

	Notes	31 October 2023 £	31 October 2022 £
<b>ASSETS</b>			
<b>Current assets</b>			
Trade and other receivables	8	2,000,758	2,834,213
Cash and cash equivalents		166,405	297,032
		<u>2,167,163</u>	<u>3,131,245</u>
<b>Total assets</b>		<u>2,167,163</u>	<u>3,131,245</u>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Trade and other payables	9	203,413	1,816,636
		<u>203,413</u>	<u>1,816,636</u>
<b>Total liabilities</b>		<u>203,413</u>	<u>1,816,636</u>
<b>Net assets</b>		<u>1,963,750</u>	<u>1,314,609</u>
<b>EQUITY</b>			
Share capital	10	752	752
Retained earnings		1,962,998	1,313,857
<b>Total equity</b>		<u>1,963,750</u>	<u>1,314,609</u>

The financial statements were approved by the Board of Directors and authorised for issue on 2 February 2024 and signed on their behalf by:

DocuSigned by:  
  
 .....BF:1581802AF:14F3.....  
**Mr H Robinson**  
**Director**

**Core Financial Services Ltd**  
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**Statement of Changes in Equity**

**For the year ended 31 October 2023**

	<b>Share capital £</b>	<b>Retained earnings £</b>	<b>Total equity £</b>
<b>1 November 2021</b>	<b>752</b>	<b>852,322</b>	<b>853,074</b>
Profit for the year	-	461,535	461,535
<b>Total comprehensive income</b>	<b>-</b>	<b>461,535</b>	<b>461,535</b>
<b>31 October 2022</b>	<b>752</b>	<b>1,313,857</b>	<b>1,314,609</b>
Profit for the year		649,891	649,891
<b>Total comprehensive income</b>	<b>-</b>	<b>649,891</b>	<b>649,891</b>
Dividends paid	-	(750)	(750)
<b>31 October 2023</b>	<b>752</b>	<b>1,962,998</b>	<b>1,963,750</b>

**Core Financial Services Ltd**  
**Annual Report and Financial Statements**

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**Notes to the Financial Statements**

**For the year ended 31 October 2023**

**1. Corporate information**

Core Financial Services Ltd is a private company incorporated in the England and Wales. The Company is limited by shares. The registered address of the Company is AFH House, Buntsford Drive, Stoke Heath, Bromsgrove, Worcestershire, B60 4JE. The principal activity of the Company is that of a financial intermediary.

**2. Accounting policies**

**2.1. Basis of preparation**

*Statement of compliance*

These financial statements have been prepared in accordance with Financial Reporting Standard 101 "Reduced Disclosure Framework" ("FRS 101") and in accordance with the applicable provisions of the Companies Act 2006. Except for certain disclosure exemptions detailed below, the recognition, measurement and disclosure requirements of International Financial Reporting Standards have been applied to these financial statements and, where necessary, amendments have been made in order to comply with the Companies Act 2006.

The Company has taken advantage of the following exemptions in preparing these financial statements, as permitted by FRS101 paragraph 8.

- (i) The requirement of IFRS 7 'Financial Instruments Disclosures' relating to the disclosure of financial instruments and the nature and extent of risks arising from such instruments;
- (ii) The requirement of IFRS 13 'Fair Value Measurement' paragraph 91 to 99 relating to the fair value measurement disclosure of financial assets and financial liabilities that are measure at fair value;
- (iii) The requirements of IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' paragraph 30 and 31 relating to the disclosure of standards, amendments and interpretations in issue but not yet effective;
- (iv) The requirement of IAS 1 'Presentation of Financial Statements' paragraphs 134 to 136 relating to the disclosure of capital management policies and objectives;
- (v) The requirements of IAS 7 'Statement of Cash Flows' and IAS 1 'Presentation of Financial Statements' paragraph 10(d); 111 relating to the presentation of a Cash Flow Statement;
- (vi) The requirements of IAS 24 'Related Party Disclosures' relating to the disclosure of key management personnel compensation and relating to the disclosure of related party transactions entered into between the company and other wholly-owned subsidiaries of the group.

For the disclosure exemptions listed in points (i) to (vi), the equivalent disclosures are included in the consolidated financial statements of the group, AFH Financial Group Limited into which the Company is consolidated.

*Basis of measurement*

The financial statements have been prepared on the historical cost convention.

**Core Financial Services Ltd**  
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## **Notes to the Financial Statements**

**For the year ended 31 October 2023**

### ***2.1. Basis of preparation (continued)***

#### ***Going concern***

As at the time of the signing of the financial statements, global markets remain volatile, driven by war in Eastern Europe and Israel, European energy shortages, global inflation and high interest rates. As inflation in the UK continues to return to normal rates and interest rates trend downwards we anticipate a recovery in business and consumer confidence, improving trading conditions. As a Company we continue to adapt during a difficult period and maintained revenue growth in our Core Wealth Management division. Most client assets are held in diversified portfolios and the impact of the markets on recurring revenue has been considerably diluted.

The directors have considered the Company's anticipated business activities, its cash flows and capital position for a period of 12 months from the date of these accounts. They believe that even in the event of falling markets and without further growth the group can continue to trade profitably and maintains sufficient facilities to cover its short and long-term liabilities. This assessment has been stress tested for lower than anticipated revenues. Therefore, the directors are satisfied that the Company has adequate resources to for the foreseeable future and for this reason continue to adopt the Going Concern basis in preparing the financial information. If required, the Company will receive financial support from its parent companies AFH Financial Group Limited and Cortina Bidco Limited and its ultimate owners.

#### ***Functional and presentational currency***

The Company's functional currency is Sterling, as this is the currency of the primary economic environment of that which the Company operates. The financial statements are presented in Sterling.

#### ***Use of estimates and judgements***

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

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 and in any future periods affected.

Information about significant areas of estimation uncertainties and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are described in Note 2.7.

### **2.2. Revenue**

Revenue is recognised in line with the requirements of IFRS 15 as contractual performance obligations are satisfied. Revenue is measured at the fair value of the consideration received adjusted for clawbacks, allowance for impairment, discounts, rebates, and other sales taxes or duty.

**Core Financial Services Ltd**  
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## **Notes to the Financial Statements**

**For the year ended 31 October 2023**

### **2.3. Income tax**

Current income tax assets and/or liabilities comprise obligations to, or claims from, fiscal authorities relating to the current or prior reporting periods, that are unpaid/due at the reporting date. Current tax is payable on taxable profits, which may differ from profit or loss in the financial statements. Calculation of current tax is based on the tax rates and tax laws that have been enacted or substantively enacted at the reporting period.

Deferred taxes are calculated using the liability method on temporary differences between the carrying amounts of assets and liabilities and their tax bases.

A deferred tax asset is recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which the deductible temporary differences can be utilised, unless the deferred tax asset arises from the initial recognition of an asset or liability in a transaction that is not a business combination and at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss). However, for deductible temporary differences associated with investments in subsidiaries a deferred tax asset is recognised when the temporary difference will reverse in the foreseeable future and taxable profits will be available against which the temporary differences can be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

### **2.4. Financial instruments**

#### ***Financial assets carried at amortised cost***

Financial assets are recognised on the statement of financial position when, and only when, the Company becomes a party to the contractual provisions of the instrument.

Financial assets are initially recognised at fair value plus directly attributable transaction costs.

Financial assets carried at amortised cost are classified as loans and receivables and comprise trade and other receivables and cash and cash equivalents. Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market.

After initial recognition, loans and receivables are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial.

If there is objective evidence that there is an impairment loss on loans and receivables, the amount of the loss is measured as 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 (i.e. the effective interest rate computed at initial recognition). The carrying amount of the asset is reduced either directly or through use of an allowance account.

A financial asset is derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and reward are transferred.

#### ***Financial liabilities carried at amortised cost***

These financial liabilities include trade and other payables and interest bearing loans and borrowings.

Financial liabilities are initially recognised at fair value adjusted for any directly attributable transaction costs.

After initial recognition, financial liabilities are measured at amortised cost using the effective interest method, with interest-related charges recognised as an expense in finance costs. Discounting is omitted where the effect of discounting is immaterial.

A financial liability is derecognised only when the contractual obligation is extinguished, that is, when the obligation is discharged, cancelled or expires.



**Core Financial Services Ltd**  
**Annual Report and Financial Statements**

## **Notes to the Financial Statements**

**For the year ended 31 October 2023**

### **2.5. Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and demand deposits, together with other short term, highly liquid investments that are readily convertible into known amounts of cash and are subject to an insignificant risk of changes in value.

### **2.6. Equity and reserves**

Share capital represents the nominal value of shares that have been issued.

Retained earnings include all current and prior period retained profits.

Dividend distributions to the Company's shareholders are recognised in the accounting period in which the dividends are declared and paid, or if earlier, in the accounting period when the dividend is approved by the Company's shareholders at the Annual General Meeting.

### **2.7. Significant management judgements in applying accounting policies and estimation uncertainty**

When preparing the financial statements, management makes a number of judgements, estimates and assumptions about the recognition and measurement of assets, liabilities, income and expenses.

Management do not believe there to be any significant accounting estimates or judgements being applied in the preparation of these financial statements.

### **2.8. Changes in Accounting Policies**

#### **Adoption of new and revised standards**

During the financial year, the Group has adopted the following new IFRSs (including amendments thereto) and IFRIC interpretations, that became effective for the first time.

<b>Standard</b>	<b>Effective date, annual period beginning on or after</b>
Reference to the Conceptual Framework (Amendments to IFRS 3 <i>Business Combinations</i> )	1 January 2022
Property, Plant and Equipment: Proceeds before Intended Use (Amendments to IAS 16)	1 January 2022
Onerous Contracts – Cost of Fulfilling a Contract (Amendments to IAS 37 <i>Provisions, Contingent Liabilities and Contingent Assets</i> )	1 January 2022
Annual improvements 2018-2020 cycle	1 January 2022

Their adoption has not had any material impact on the disclosures or amounts reported in the financial statements.

#### **Standards issued but not yet effective:**

At the date of authorisation of these financial statements, the following standards and interpretations relevant to the Group and which have not been applied in these financial statements, were in issue but were not yet effective. In some cases, these standards and guidance have not been endorsed for use in the European Union.

**Core Financial Services Ltd**  
**Annual Report and Financial Statements**

## **Notes to the Financial Statements**

For the year ended 31 October 2023

### **2.8. Changes in Accounting Policies (continued)**

<b>Standard</b>	<b>Effective date, annual period beginning on or after</b>
IFRS 17 - <i>Insurance Contracts</i>	1 January 2023
Amendments to IFRS 17 - <i>Insurance Contracts</i> ; and Extension of the Temporary Exemption from Applying IFRS 9 (Amendments to IFRS 4 <i>Insurance Contracts</i> )	1 January 2023
Disclosure of Accounting Policies (Amendments to IAS 1 <i>Presentation of Financial Statements</i> and IFRS Practice Statement 2 <i>Making Materiality Judgements</i> )	1 January 2023
Definition of Accounting Estimates (Amendments to IAS 8 <i>Accounting Policies, Changes in Accounting Estimates and Errors</i> )	1 January 2023
Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12 <i>Income Taxes</i> )	1 January 2023
International Tax Reform – Pillar Two Model Rules (Amendments to IAS 12)	1 January 2023
Lease Liability in a Sale and Leaseback (Amendments to IFRS 16)	1 January 2024
Classification of Liabilities as Current or Non-Current: <i>amendments to IAS 1</i>	1 January 2024

At the date of authorisation of these financial statements, the following standards and interpretations relevant to the Group and which have not been applied in these financial statements, have not been endorsed for use in the UK and will not be adopted until such time as endorsement is confirmed.

<b>Standard</b>	<b>Effective date, annual period beginning on or after</b>
Supplier Finance Arrangements (Amendments to IAS 7 and IFRS 7)	1 January 2024

The directors are evaluating the impact that these standards will have on the financial statements of the Group.

### **3. Revenue**

The revenue and profit before tax are attributable to the principal activity of the Company.

### **4. Operating profit**

The remuneration of the auditor has been borne by AFH Financial Group Limited for the current and prior periods.

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## Notes to the Financial Statements

For the year ended 31 October 2023

### 5. Directors' remuneration

During the year ended 31 October 2023 and 31 October 2022, the remuneration of the Directors was borne by AFH Financial Group Limited.

### 6. Taxation

	31 October 2023 £	31 October 2022 £
Tax for current year	-	-
(Over)/under provision in prior year	-	-
Total current tax expense	-	-
Total tax expense	-	-

The tax rate used for the reconciliation is the corporation tax rate of 22.50% (2022: 19.00%) payable by the Company in the UK on taxable profits under UK tax law.

The charge for the year can be reconciled to the profit for the year as follows:

	31 October 2023 £	31 October 2022 £
Profit before taxation	649,891	461,535
Income tax calculated at 22.50% (2022: 19.00%)	146,226	87,692
(Over)/under provision in prior year	-	-
Group relief	(146,226)	(87,692)
Total tax expense	-	-

### 7. Dividends paid and proposed

During the year dividends of £750 were paid to the company's immediate parent (2022: £nil).

### 8. Trade and other receivables

	31 October 2023 £	31 October 2022 £
Trade receivables	90,961	90,961
Amounts owed by group undertakings	1,894,352	2,713,307
Prepayments	15,208	22,386
Other receivables	237	7,559
	2,000,758	2,834,213

Trade receivables include a £nil provision for bad debts (2022: £nil).

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For the year ended 31 October 2023

**9. Trade and other payables**

	31 October 2023 £	31 October 2022 £
Trade payables	13,935	57,362
Accruals and deferred income	16,545	3,667
Amounts owed to group undertakings	170,954	1,750,000
Other payables	1,979	5,607
	<u>203,413</u>	<u>1,816,636</u>

**10. Share capital**

	31 October 2023 £	31 October 2022 £
<b>Allotted, called up and fully paid</b>		
Ordinary shares of £1 each	<u>752</u>	<u>752</u>

**11. Ultimate controlling party**

The Company's immediate parent undertaking is AFH Group Ltd, which is incorporated in England and Wales.

The Company's ultimate parent undertaking is Cortina TopCo Limited, which is incorporated in the Cayman Islands, indirectly controlled by funds managed by Flexpoint Ford, LLC, a private equity investment firm incorporated in the United States of America.

Copies of the consolidated financial statements of AFH Financial Group Limited, the smallest group of undertakings that consolidates the Company as at 31 October 2023 are filed with Companies House.

The largest group of undertakings that consolidates the company is Cortina BidCo Limited, which is incorporated in the Cayman Islands. Copies of their financial statements can be obtained from AFH House, Buntsford Drive, Stoke Heath, Bromsgrove, Worcestershire, B60 4JE.