

Registration Number: 05555055

FOUNDING ASSET MANAGEMENT LIMITED

REPORT AND FINANCIAL STATEMENTS

31st DECEMBER 2020

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Founding Asset Management Limited

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Founding Asset Management Limited

Directors

C.S. Davis
B.L. Jenner
S.I. Davis (resigned 17 February 2021)

Company Secretary

Cornhill Secretaries Limited

Company Number

05555055

Registered Office

Vicarage House
58-60 Kensington Church Street, London, W8 4DB

Auditors

BDO LLP
55 Baker Street, London W1U 7EU

Bankers

Coutts & Co
440 Strand, London, WC2 0QS

UBS Financial Services Inc.
3455 Peachtree Road NE
Atlanta, GA 30326
USA

Founding Asset Management Limited

Strategic Report

The company conducts investment management and investment advisory business, principally for private clients. In addition, there has been an increased focus on generating corporate finance income through the placement of investments in selected small companies, with no underwriting commitment taken on by Founding Asset Management Limited. The company does not anticipate any change in the nature of its business over the medium-term.

The company has given due consideration to its obligations under Section 172(1)(a) to (f) of the Companies Act. On the basis that the company is a single shareholder company, the consequences of any decisions taken by the company are considered in the long term interests of the company and its sole shareholder. The company always ensures that it takes no decisions which in anyway affect employees' interests and ensures that all obligations and relations with employees, suppliers and clients are at all times transparent and fair. As a very small company with limited activities and clients, our actions have little if any impact on the wider community other than those previously mentioned, namely employees, clients and suppliers. As a financial institution regulated by the Financial Conduct Authority, the need to maintain high business ethics and standards is paramount and part of our business ethos, with such fairness extending to all members of the company.

Review of the business

The company is authorised by the Financial Conduct Authority. Assets under Management (AuM) are US\$36.3 million and are about the same as the previous year (2019 - \$35.5 million). Assets under Management have yet to reach a level where this core activity is self-sustaining. Although this is still a priority, the company has also found that it has a niche position in being able to bring private equity and small quoted companies recommendations to those investors who have the necessary risk appetite and experience to evaluate these, thus demonstrating the value to clients.

Profits for the year pre-tax were higher in 2020 - £413,000 - compared to £60,000 for 2019. Moreover, turnover was substantially higher at approximately £1.8 million for 2020 (2019 - £254,000). This was primarily due to performance fees earned from equity positions which were liquidated by some clients generating performance fees totalling £1.366 million.

Description of principal risks for the company

The directors are of the opinion that the primary risk for the business continues to be the ability to generate sufficient new Assets under Management and/or consultancy related to investment management to produce the desired level of returns over the medium-term.

Furthermore, the directors believe that financial key performance indicators are not necessary or appropriate for the current business. Rather our strategy and objectives continue to be to increase the AuM, to increase the revenue stream and to control costs such that we are at no time within 10% of the threshold of the firm's capital resources requirement as required from time to time under our Financial Conduct Authority authorisation.

As regards financial instruments, the company does not undertake any hedging transactions as we hold no positions other than cash balances. Our cash flow is affected by our debtor and creditor positions. For the majority of our debtor positions, we have little exposure to non-payment as our agreements with the majority of clients allow us to claim payment directly from their investment accounts with third party banks. In those instances where we are dependent on the client to make the transfer/payment, our maximum length of receivable period is six months, but is almost always considerably less than this. If a client did not pay, we could immediately cease providing services and thereby limit our exposure. All expense invoices are approved by the appropriate person and payment is authorised by a director. Our standard payment time is 30 days unless payment terms are specifically shorter or are collected by direct debit.

Strategic Report (continued)

Going concern

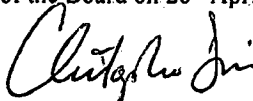
Last year as we completed our 2019 accounts, the world had plunged into a healthcare crisis as a result of the Covid-19 pandemic. That crisis continued through 2020 and is still with us in 2021. However, with continued control measures throughout the world and more importantly, an aggressive vaccination programme here in the UK and elsewhere in the world, there is some hope that the second half of 2021 will be something closer

to normal. However, Founding Asset Management has been little affected by the pandemic. With most of our clients, we focus on the private equity/small company market and these have not experienced the degree of volatility that the general market has. Furthermore, with only two employees and the ability to work from home when required, all operations have continued as normal.

The company's cash flow forecast for the next three years continues to show, even with stress testing for 25% lower assets managed or 25% lower fees, that there is more than sufficient capital and liquidity to maintain a strong balance sheet and capital position.

Management can confirm that Founding will be a going concern for 12 months from the FCA filing deadline namely 27th April 2021 up to 26th April 2022.

By Order of the Board on 26th April 2021



C.S DAVIS
Director

Founding Asset Management Limited

Report of the Directors

The directors present their report and the audited financial statements for the year ended 31st December 2020.

Directors

The directors who served during the year are as stated below:

C.S. Davis
B.L. Jenner
S.I. Davis (resigned 17 February 2021)

The review of business and the results for the period are noted in the Strategic Report.

A dividend of £187,500 was paid in 2020 (2019: none).

Disclosure of information to auditors

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

- (a) so far as each director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- (b) each director has taken all the steps that ought to have been taken as a director, including making appropriate enquiries of fellow directors and the company's auditors for that purpose, in order to be aware of any information needed by the company's auditors in connection with preparing their report and to establish that the company's auditors are aware of that information.

Directors' Responsibilities Statement

The directors are responsible for preparing the Strategic Report, the Directors' Report and the financial statements in accordance with applicable law and regulations.

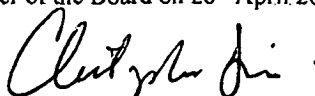
Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 period.

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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; 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 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.

By Order of the Board on 26th April 2021



C.S DAVIS
Director

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FOUNDING ASSET MANAGEMENT LIMITED

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2020 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of Founding Asset Management Limited ("the Company") for the year ended 31 December 2020 which comprise the statement of comprehensive income, statement of financial position, statement of changes in equity; statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

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

We have nothing to report in this regard.

Auditor's Report (Continued)

Other Companies Act 2006 reporting

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

- the information given in the Strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and the Directors' report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic report or the Directors' report.

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

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

Responsibilities of Directors

As explained more fully in the Directors' Responsibilities Statement, 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.

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.

Extent to which the audit was capable of detecting irregularities, including fraud

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

- We obtained an understanding of the legal and regulatory framework applicable to the Company. We determined that the most significant which are directly relevant to specific assertions in the financial statements are those related to the reporting framework (Financial Reporting Standard 102 and the Companies act 2006) as well as those resulting from being authorised by the Financial Conduct Authority to undertake regulated activities.

Auditor's Report (Continued)

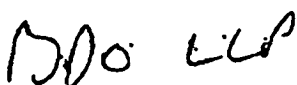
- We enquired of management to identify how the entity is complying with those legal and regulatory frameworks and whether there were any known instances of non-compliance, or any actual, suspected or alleged fraud. We corroborated our enquiries through review of board minutes.
- We assessed the risk of susceptibility of the entity's financial statements to material misstatement, including how fraud might occur and determined the principle risk related to revenue recognition.
- We considered the entity's control environment that has been established to prevent, detect and deter fraud in particular in relation to the appropriateness of revenue recognition and accrued income.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments in the general ledger and evaluated the business rationale of any significant transactions that were unusual or outside the normal course of business.
- We communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and discussed how and where these might occur and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that 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, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed 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 are to become aware of it.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://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.



Simon Fowles (Senior Statutory Auditor)
For and on behalf of BDO LLP, statutory auditor
London
26 April 2021

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Founding Asset Management Limited

**Statement of total comprehensive income
for the year ended 31st December 2020**

	<u>Note</u>	2020	2019
		£	£
Turnover	2	1,836,793	253,651
Administrative expenses		(1,423,695)	(194,705)
Operating Profit	3	413,098	58,946
Interest receivable and similar income	5	612	1,356
Profit on Ordinary Activities before Tax		413,710	60,302
Tax on profit on ordinary activities	6	78,737	(11,839)
Profit on Ordinary Activities after Tax		334,973	48,463
Total Comprehensive Income		334,973	48,463

All activities are considered to be continuing.

The notes on pages 12 – 17 form part of these financial statements.

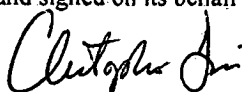
Founding Asset Management Limited

Company Registration Number 05555055

Statement of financial position 31st December 2020

	<u>Note</u>	2020		2019	
		£	£	£	£
Fixed Assets					
Tangible assets	7		-		-
Current Assets					
Debtors	9	193,985		117,277	
Cash in hand and at bank		1,174,291		398,408	
		1,368,276		515,685	
Creditors: amounts falling due within one year	11	(738,866)		(33,747)	
Net Current Assets		629,410		481,938	
Total Assets less Current Liabilities			629,410		481,938
Net Assets			629,410		481,938
Capital and Reserves					
Called up share capital	13		75,000		75,000
Retained earnings			554,410		406,938
Total Capital and Reserves			629,410		481,938

The financial statements were approved by the Board on 26th April 2021
and signed on its behalf by



C.S. Davis
Director

The notes on pages 12 - 17 form part of these financial statements.

Founding Asset Management Limited

**Statement of changes in equity
for the year ended 31st December 2020**

	Share capital	Retained earnings	Total
	£	£	£
Balance at the beginning of the period	75,000	406,938	481,938
Profit for the period	-	334,973	334,973
Total comprehensive income for the period	-	334,973	334,973
Transactions with owners – Dividends	-	(187,500)	(187,500)
Total transaction with owners recognised directly in equity	-	(187,500)	(187,500)
<i>Balance at the end of the period</i>	<i>75,000</i>	<i>554,411</i>	<i>629,411</i>

**Statement of changes in equity
for the year ended 31st December 2019**

	Share capital	Retained earnings	Total
	£	£	£
Balance at the beginning of the period	75,000	358,475	433,475
Profit for the period	-	48,463	48,463
Total comprehensive income for the period	-	48,463	48,463
<i>Balance at the end of the period</i>	<i>75,000</i>	<i>406,938</i>	<i>481,938</i>

The notes on pages 12 - 17 form part of these financial statements.

Founding Asset Management Limited

**Statement of cash flows
For the year ended 31st December 2020**

	<u>Note</u>	<u>2020</u>	<u>2019</u>
Cash generated from operating activities	16	975,281	(51,028)
Tax paid		(9,938)	(1,391)
Net cash flow from operating activities		965,343	(52,419)
Cash flows from investing activities:			
Interest received		612	1,356
Net cash flow from investing activities		612	1,356
Cash flow from financing activities:			
Dividends paid		(187,500)	-
Net cash outflows from financing activities		(187,500)	-
Net cash decrease in cash and cash equivalents		778,455	(51,063)
Foreign exchange movement		(2,572)	(5,477)
Cash and cash equivalent at the beginning of the period		398,408	454,948
Cash and cash equivalents at the end of the period		1,174,291	398,408

The notes on pages 12 - 17 form part of these financial statements.

Founding Asset Management Limited

Financial Statements for the year ended 31st December 2020

Notes

1. Accounting Policies

(a) General information

Founding Asset Management Limited is a private company limited by shares registered in England and Wales with company number 05555055. The registered office and principal place of business is Vicarage House, 58-60 Kensington Church Street, London, W8 4DB.

(b) Accounting convention

The financial statements are prepared in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and specifically in accordance with the Financial Reporting Standard 102 (FRS 102) as issued by the Financial Reporting Council, the historical cost convention and the Companies Act 2006.

Judgements in applying accounting policies and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the year end date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates.

Due to the simplicity of the company's transaction streams and year-end financial position, the directors consider there to be no critical judgements, estimates or assumptions in the preparation of these financial statements, with one exception of the judgement made on transactions not complete at the year end. See note 1 (c) below.

Financial instruments

General

Financial instruments are recognised on the company's statement of financial position when the company becomes a party to the contractual provisions of the instrument. Financial instruments are initially measured at transaction price unless the arrangement constitutes a financing transaction which includes transaction costs for financial instruments not subsequently measured at fair value. Subsequent to initial recognition, they are measured as set out below.

Classification

Financial instruments are classified as either 'basic' or 'other' in accordance with Chapter 11 of FRS 102. All of the company's financial instruments are classified as basic.

Subsequent measurement

At the end of each reporting period, debt instruments classified as basic are measured at amortised cost using the effective interest rate method.

Founding Asset Management Limited

Financial Statements for the year ended 31st December 2020

Notes (Continued)

1. Accounting Policies (continued)

Financial instruments (continued)

Derecognition

Financial assets are derecognised when the contractual rights to the cash flows from the asset expire, or when the company has transferred substantially all the risks and rewards of ownership. Financial liabilities are derecognised only once the liability has been extinguished through discharge, cancellation or expiry.

(c) *Turnover*

Turnover comprises fee income (excluding value added tax) from the provision of professional advisory services, falling within the company's principal activities. Fees earned on the negotiating of finance or arranging a transaction for a third party are recognised within turnover on completion. For transactions not complete at the year end, judgement is exercised to assess when the transaction is 'substantially complete' and hence when it is appropriate to recognise within turnover.

(d) *Tangible fixed assets and depreciation*

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Fixtures, fittings and equipment	-	33% straight line
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(e) *Foreign currencies*

The company's functional and presentational currency is pounds Sterling (GB£).

Monetary assets and liabilities, including debtors and creditors, denominated in foreign currencies are translated into sterling at the rate of exchange prevailing at the accounting reference date. Transactions in foreign currencies are recorded at the date of transactions. All differences are taken to profit or loss.

(f) *Taxation*

Tax for the year is made up of both current and deferred. This is recognised in the Statement of Comprehensive Income for the current year, with the exception of charges attributable to items of income or expense deemed to be other comprehensive income or to an item which is directly recognised in equity.

Deferred tax is provided in full using the liability method on timing differences which result in an obligation at the reporting period and date to pay more tax, or a right to pay less tax, at a future date, at rates that are expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in the financial statements.

Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered against future taxable profit.

Founding Asset Management Limited

Financial Statements for the year ended 31st December 2020

Notes (Continued)

1. Accounting Policies (continued)

(g) Pension costs

Pension contributions are made to the private pension scheme of the directors on a discretionary basis and are charged to profit or loss as incurred.

(h) Operating leases

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

2. Turnover

The total turnover of the company for the year has been derived from the rendering of services wholly undertaken in the UK.

3. Operating Profit

Operating profit is stated after charging:

	<u>2020</u> £	<u>2019</u> £
Depreciation		628
Auditors' remuneration:		
Audit fees	12,000	10,800
Tax fees	4,000	4,250
Compliance	5,952	5,952
Office licence fee	23,137	23,137
Foreign exchange loss	2,572	2,733
	<u> </u>	<u> </u>

4. Directors and Employees

	<u>2020</u> £	<u>2019</u> £
Directors' remuneration	1,159,600	91,498
Pension contributions	<u>20,000</u>	<u>-</u>
	<u>1,179,600</u>	<u>91,498</u>

Pension contributions in 2020 were paid on behalf of one of the directors and represent payment for the tax years 2019-20 and 2020-21.

Founding Asset Management Limited

Financial Statements for the year ended 31st December 2020

Notes (Continued)

4. Directors and Employees (continued)

Staff costs

Wages and salaries	1,141,300	69,100
Social security costs	153,605	7,252
Pension costs	20,000	-
Benefits in kind	18,300	20,398
	<u>1,333,205</u>	<u>96,750</u>

There were two employees during the year (both directors) (2019: two) and there are no other key management personnel. The total amount payable to highest paid director in respect of emoluments was £1,074,300 (2019 - £56,398).

5. Interest Receivable and Similar Income

	<u>2020</u> £	<u>2019</u> £
Bank interest receivable	612	1,356
	<u>612</u>	<u>1,356</u>

6. Analysis of Tax Charge in Period

	<u>2020</u> £	<u>2019</u> £
Current tax		
UK corporation tax	78,737	9,939
Under / (over) provision in prior year	-	1,900
	<u>78,737</u>	<u>11,839</u>

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2019: higher) the standard rate of corporation tax in the UK of 19% (2019: 19%) as set out below:

	<u>2020</u> £	<u>2019</u> £
Profit on ordinary activities before tax	413,710	60,302
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 19% (2019: 19%)	78,605	11,457
Effects of:		
Expenses not deductible for tax purposes	132	382
Allowable expenses	-	(1,900)
Under / (over) provision in prior year	-	1,900
Total tax charge for the year (see above)	<u>78,737</u>	<u>11,839</u>

Founding Asset Management Limited

Financial Statements for the year ended 31st December 2020

Notes (Continued)

7. Tangible Fixed Assets

	<u><i>Furniture, Fixtures and Equipment</i></u>
Cost	£
At 1st January 2020	10,022
Additions	-
	<hr/>
At 31st December 2020	10,022
	<hr/>
Depreciation	
At 1st January 2020	10,022
Charge for the year	-
	<hr/>
At 31st December 2020	10,022
	<hr/>
Net book value	
At 31st December 2020	-
	<hr/>
At 31st December 2019	-
	<hr/>

8. Basic Financial Assets measured at Amortised Cost

	<u>2020</u>	<u>2019</u>
	£	£
Cash	1,174,291	398,408
Trade debtors	66,156	115,717
	<hr/>	<hr/>
	1,240,447	514,125
	<hr/>	<hr/>

9. Debtors

	<u>2020</u>	<u>2019</u>
	£	£
Trade debtors	56,683	115,717
Prepayments	1,931	1,560
Accrued income	135,371	
	<hr/>	<hr/>
	193,985	117,277
	<hr/>	<hr/>

10. Basic Financial Liabilities measured at Amortised Cost

	<u>2020</u>	<u>2019</u>
	£	£
Trade creditors	60	1,971
Accruals	16,000	17,150
	<hr/>	<hr/>
	16,060	19,121
	<hr/>	<hr/>

Financial Statements for the year ended 31st December 2020

Notes (Continued)

11. Creditors

	<u>2020</u>	<u>2019</u>
	£	£
Trade creditors	60	1,971
Corporation tax	78,738	
11,837cHRIST		
Accruals and deferred income	16,000	17,150
Social security taxes	644,068	2,789
	<u>738,866</u>	<u>33,747</u>

12. Commitments

Non-cancellable operating lease rentals are payable as follows:

	<u>2020</u>	<u>2019</u>
	£	£
Amount due in less than 1 year	<u>5,040</u>	<u>5,040</u>

13. Share Capital

	<u>2020</u>	<u>2019</u>
	£	£
Allotted, called up and fully paid		
75,000 ordinary shares of £1 each	<u>75,000</u>	<u>75,000</u>

14. Controlling Interest

The company was under the control of C.S. Davis by way of his 100% shareholding.

15. Related Party

During the year, business expenses of £105 (2019: £1,046) were paid by Christopher Davis on behalf of the company. At the year end there is no amount (£0) due to or from Christopher Davis (2019: zero).

16. Cash Generated from Operations

	<u>2020</u>	<u>2019</u>
	£	£
Operating profit	413,098	58,946
Depreciation	-	628
(Increase) in debtors	(76,708)	(35,287)
(Decrease)/increase in creditors	636,319	(80,792)
Foreign exchange movement	2,572	5,477
	<u>975,281</u>	<u>(51,028)</u>