

Company Registered number: 06380160

Formation Wealth Solutions Limited
Annual Report and Financial Statements
Year ended 31 August 2011

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Formation Wealth Solutions Limited
Annual Report and Financial Statements
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Formation Wealth Solutions Limited Company Information

Directors

Desmond Khan
Richard Noel O'Carroll

Secretary

Desmond Khan

Auditors

Grant Thornton UK LLP
Registered Auditors
Chartered Accountants
4 Hardman Square
Spinningfields
Manchester
M3 3EB

Bankers

Bank of Scotland Plc
40 Spring Gardens
Manchester
M2 1EN

Solicitors

Herbert Reeves & Co
44 Great Eastern Street
London
EC2A 3EP

Registered office

Oakwood House
414 - 422 Hackney Road
London
E2 7SY

Registered number

06380160

Formation Wealth Solutions Limited
Registered number: 06380160
Directors' Report

The directors present their report and financial statements for the year ended 31 August 2011

Principal activities

The company's principal activity ceased on 1 December 2009

Results and Dividends

The financial statements for the year ended 31 August 2011 are set out on pages 5 to 12. The loss for the period after taxation was £31,307 (2010 - Loss of £76,951)

No dividends have been proposed in respect of year ended 31 August 2011 (2010 - Nil). The loss for the financial period of £31,307 (2010 - Loss of £76,951) has been transferred from reserves.

Directors


The following persons served as directors during the year

Desmond Khan
Richard Noel O'Carroll

Small Company Exemption

This report has been prepared in accordance with the provisions in Part 15 of the Companies Act 2006 applicable to companies subject to the small companies regime.

Approved by the Board of Directors on 22 May 2012 and signed on behalf of the Board



Richard Noel O'Carroll
Director

Formation Wealth Solutions Limited Statement of Directors' Responsibilities

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 laws). 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 and 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,
- 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.

In so far as each of the directors is aware:

- there is no relevant audit information of which the company's auditor are unaware, and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Formation Wealth Solutions Limited
Independent auditor's report
to the member of Formation Wealth Solutions Limited

We have audited the financial statements of Formation Wealth Solutions Limited for the year ended 31 August 2011 which comprise the Profit and Loss Account, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

Respective responsibilities of directors and auditors

As explained more fully in the Statement of Directors' Responsibilities set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the APB's website at www.frc.org.uk/apb/scope/private.cfm

Opinion on 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 August 2011 and of its loss 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

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where 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



Kevin Engel
Senior Statutory Auditor
for and on behalf of
Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
Manchester
22 May 2012

Formation Wealth Solutions Limited
Profit and Loss Account
for the year ended 31 August 2011

	Notes	2011 £	2010 £
Turnover	2	-	50,501
Cost of sales		-	(10,138)
Gross profit		<u>-</u>	<u>40,363</u>
Administrative expenses		(31,307)	(117,545)
Operating loss		<u>(31,307)</u>	<u>(77,182)</u>
Net interest	4	-	(105)
Loss on ordinary activities before taxation	5	<u>(31,307)</u>	<u>(77,287)</u>
Tax on loss on ordinary activities	6	-	336
Retained loss for the financial year	11	<u>(31,307)</u>	<u>(76,951)</u>

All activity has arisen from discontinued activities

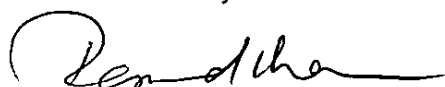
The company has no recognised gains or losses other than the loss for the above two financial years
Accordingly, a statement of total recognised gains and losses has not been presented

The accompanying notes are an integral part of this profit and loss account

Formation Wealth Solutions Limited
Company Registered number: 06380160
Balance Sheet
as at 31 August 2011

	Notes	2011 £	2010 £
Current assets			
Debtors	7	143,897	174,949
Cash at bank and in hand		373	161
		<u>144,270</u>	<u>175,110</u>
Creditors amounts falling due within one year	8	(2,825)	(2,358)
Net current assets		<u>141,445</u>	<u>172,752</u>
Net assets		<u>141,445</u>	<u>172,752</u>
Capital and reserves			
Called up share capital	10	1	1
Profit and loss account	11	141,444	172,751
Shareholder's funds	12	<u>141,445</u>	<u>172,752</u>

These financial statements were approved by the Board of Directors on 22 May 2012 and signed on their behalf by



Desmond Khan

Director

Approved by the board on 22 May 2012

The accompanying notes are an integral part of this balance sheet

Formation Wealth Solutions Limited
Notes to the Accounts
for the year ended 31 August 2011

1 Accounting policies

A summary of the principal accounting policies, all of which have been applied consistently throughout the year and the preceding year, are set out below

Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with applicable United Kingdom accounting standards

Basis of preparation

The Board of Formation Group Plc has expressed its continued financial support to the company however the company has ceased trading. The directors believe it is appropriate for the financial statements to be presented as a going concern basis

Tangible fixed assets

Tangible fixed assets are shown at historical cost, net of depreciation and any provision for impairment. Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost, of each asset on a straight line basis over its expected useful life, as follows

Fixtures, fittings and computer equipment	3 to 4 years
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Taxation

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements

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

Formation Wealth Solutions Limited
Notes to the Accounts
for the year ended 31 August 2011

1 Accounting policies (continued)

Deferred tax is not recognised when fixed assets are revalued unless by the balance sheet date there is a binding agreement to sell the revalued assets and the gain or loss expected to arise on sale has been recognised in the financial statements. Neither is deferred tax recognised when fixed assets are sold and it is more likely than not that the taxable gain will be rolled over, being charged to tax only if and when the replacement assets are sold.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on the tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

Turnover

Turnover represents the total amount receivable by the company for services provided to clients and contracts negotiated on their behalf during the period, excluding value added tax.

Foreign currency

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction or, if hedged, at the forward contract rate. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date or, if appropriate, at the forward contract rate. All exchange differences are included in the profit and loss account.

Pension costs

The company operates a defined contribution pension scheme. The amount charged to the profit and loss account in respect of pension costs is the contributions payable in the period. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

Cashflow

The company has taken advantage of the exemption provided by FRS 1 and has not provided a cash flow statement as its results are included in the consolidated results of Formation Group Plc, the ultimate parent company, which are publicly available.

2 Turnover

Turnover arose entirely from the company's principal activities in the United Kingdom.

Formation Wealth Solutions Limited
Notes to the Accounts
for the year ended 31 August 2011

3 Information regarding directors and employees

2011 **2010**
£ **£**

The average monthly number of persons employed (including directors) by the company during the period was as follows

Professional services	-	2
	<u>-</u>	<u>2</u>

Their aggregate remuneration comprised

2011 **2010**
£ **£**

Wages and salaries	-	98,646
Social security costs	-	8,595
Pension costs	-	3,125
	<u>-</u>	<u>110,366</u>

Director's remuneration

2011 **2010**
£ **£**

Emoluments	-	98,646
Pension costs	-	3,125
	<u>-</u>	<u>101,771</u>

Remuneration of highest paid director

- 64,583

4 Net Interest

2011 **2010**
£ **£**

Interest payable		(117)
Bank interest received	-	12
	<u>-</u>	<u>(105)</u>

5 Loss on ordinary activities before taxation

2011 **2010**
£ **£**

This is stated after charging

Depreciation of owned fixed assets	-	1,030
Auditors' remuneration for audit services	<u>2,000</u>	<u>-</u>

Formation Wealth Solutions Limited
Notes to the Accounts
for the year ended 31 August 2011

6 Taxation	2011	2010
	£	£
Analysis of charge in year		
Deferred tax:		
Origination and reversal of timing differences		(336)
Total tax on profit on ordinary activities	-	(336)
	2011	2010
	£	£
Loss on ordinary activities before tax	(31,307)	(77,287)
Standard rate of corporation tax in the UK	27 16%	28%
	£	£
Loss on ordinary activities multiplied by the standard rate of corporation tax	(8,503)	(21,640)
Effects of		
Group relief	-	21,455
Depreciation for year in excess of capital allowance	-	185
Unrelieved tax losses	8,503	-
	-	-
7 Debtors	2011	2010
	£	£
Amounts due from group companies	143,498	145,449
Deferred tax asset (see note 9)	399	399
Prepayments and accrued income	-	29,101
	143,897	174,949
8 Creditors: amounts falling due within one year	2011	2010
	£	£
Amounts owed to group companies	825	-
Accruals	2,000	2,358
	2,825	2,358

Formation Wealth Solutions Limited
Notes to the Accounts
for the year ended 31 August 2011

9 Deferred tax asset			2011	2010
			£	£
Accelerated capital allowances			399	399
			<u>399</u>	<u>399</u>
			2011	2010
			£	£
At 1 September 2010			399	63
Credit for the year			-	336
At 31 August 2011			<u>399</u>	<u>399</u>
10 Share capital	Nominal value	2011 Number	2011	2010
			£	£
Allotted, called up and fully paid Ordinary shares	£1 each	1	<u>1</u>	<u>1</u>
11 Profit and loss account			2011	
			£	
At 1 September 2010			172,751	
Loss for the financial year			(31,307)	
At 31 August 2011			<u>141,444</u>	
12 Reconciliation of movement in shareholder's funds			2011	2010
			£	£
Opening shareholder's funds			172,752	249,703
Loss for the financial year			(31,307)	(76,951)
Closing shareholder's funds			<u>141,445</u>	<u>172,752</u>

13 Pension arrangements

The company made pension contributions to the personal pension plans of certain full-time employees. The pension cost charge for the period amounted to £Nil (2010 - £3,125)

Formation Wealth Solutions Limited
Notes to the Accounts
for the year ended 31 August 2011

14 Guarantees and other financial commitments

Capital commitments

The company has no capital commitments as at 31 August 2011 (2010 - £Nil)

15 Related parties

As a subsidiary undertaking of Formation Group Plc, the company has taken advantage of the exemption in FRS 8 "Related party disclosures" from disclosing transactions with other members of the group headed by Formation Group Plc

16 Ultimate parent company

The directors regard Formation Group Plc, a company registered in England and Wales, as the ultimate parent company and the ultimate controlling party

Formation Group Plc is the parent company of the largest and smallest group of which the company is a member and for which group financial statements are drawn up. Copies of the financial statements are available from Oakwood House, 414 - 422 Hackney Road, London E2 7SY