
REDBOURNE WEALTH MANAGEMENT LTD

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2019

REDBOURNE WEALTH MANAGEMENT LTD

COMPANY INFORMATION

Directors	P I Lane G Hay N Aston K S Hare (appointed 13 September 2019) R J G Hewitt (appointed 13 September 2019)
Registered number	6430777
Registered office	Belmont House Shrewsbury Business Park Shrewsbury SY2 6LG
Independent auditor	Ernst & Young LLP 25 Churchill Place London E14 5EY

REDBOURNE WEALTH MANAGEMENT LTD

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**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2019**

The directors present their report and the financial statements of Redbourne Wealth Management Limited for the year ended 31 December 2019.

Directors' responsibilities statement

The directors are responsible for preparing the Strategic report, the Directors' report and the financial statements of Redbourne Wealth Management Limited in accordance with applicable law and regulations.

Company law requires the directors to prepare the financial statements of Redbourne Wealth Management Limited for each financial year. Under that law the directors have elected to prepare the financial statements of Redbourne Wealth Management Limited in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements of Redbourne Wealth Management Limited 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 of Redbourne Wealth Management Limited, the directors are required to:

- select suitable accounting policies for the Company's financial statements and then apply them consistently;
- make judgments 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 of Redbourne Wealth Management Limited 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 to enable them to ensure that the financial statements of Redbourne Wealth Management Limited 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.

Principal activity

The Company provides investment advisory services.

REDBOURNE WEALTH MANAGEMENT LTD

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

Results and dividends

The profit for the year, after taxation, amounted to £253,945 (2018 - £226,902).

Interim ordinary dividends were paid by the Company during the year amounting to £79,172 (2018: £352,150).

Statement by the directors in performance of their statutory duties in accordance with s172(1) Companies Act 2006.

The board of directors of Redbourne Wealth Management Limited consider, both individually and together, that they have acted in the way they consider, in good faith, would be most likely to promote the success of the company for the benefit of its members as a whole (having regard to the stakeholder and matters set out in s172(1)(a)-(f) of the act) in the decisions taken during the year ended 31 December 2019.

- Our plan was designed to have a long-term beneficial impact on the Company and to contribute to its success in delivering a high-quality service.
- Our team members are fundamental to the delivery of our plan. We aim to be a responsible employer in our approach to pay and benefits our team members receive. The health and well-being of our team members is one of our primary considerations in the way we do business.
- Engagement with suppliers and customers is key to our success, and meet regularly with them, taking appropriate action, when necessary, to prevent involvement in corruption, bribery, money laundering and breaches of laws.
- Our plan took into account the impact of our operations on the community and environment and our wider social responsibilities, and in particular how we comply with environmental legislation and pursue waste-saving opportunities, using electronic communication where possible.
- As the board of directors, our intention is to behave responsibly and ensure that the management operate the business in a responsible manner, operating within the high standards of business conduct and good governance expected for a business such as ours and in doing so, will contribute to the delivery of our plan. The intention is to nurture our reputation, through the delivery of our plan, that reflects our responsible behaviour.
- As the Board of Directors, our intention is to behave responsibly towards our shareholders and treat them fairly and equally, so they too may benefit from the successful delivery of our plan.

Going Concern

The Company's business activities, together with the factors likely to affect its future development, financial position and financial performance as well as details of its exposures to risk are described in the Strategic Report. The Company continues to grow revenues and EBITDA through increased assets under management for existing clients and acquisition of new clients that adhere to the Company' client profile. The Company has a stable and diversified client base and a differentiated solution that provides the directors with assurance that the Company will continue to be profitable for the foreseeable future. After making enquiries, and performing stress testing, the directors have a reasonable expectation that the Company have adequate resources to continue in operational existence for the foreseeable future and meet liabilities as they fall due. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts (refer to note 2.4 for further information around the impact of COVID-19).

DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2019

Directors

The directors who served during the year were:

P I Lane

G Hay

N Aston

K S Hare (appointed 13 September 2019)

R J G Hewitt (appointed 13 September 2019)

Disclosure of information to auditor

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

- so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- the 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

The auditor, Ernst & Young LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

Small companies note

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board and signed on its behalf.

G Hay

Director

Date: 17 February 2021

STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2019

BUSINESS REVIEW

The directors are pleased with the financial performance of the business during the year. The Company provides investment advisory services.

FINANCIAL KEY PERFORMANCE INDICATORS

The Company measures its performance against the following KPI's:

	2019	2018
	£	£
Turnover	1,380,500	1,317,589
Cash and cash equivalent	501,021	338,470

The Company's turnover has increased during the period due to the continued expansion of the Company's client base.

The Company continues to maintain a level of liquid capital that the directors consider to be adequate to manage working capital requirements.

PRINCIPAL RISKS AND UNCERTAINTIES

The board of directors have determined that the Company's three main areas of risk are regulatory risk, the risk arising from competition and financial & economic risk.

Regulatory Compliance Risk

The Company contracts with Best Practice IFA Group Limited whereby that Company is responsible for implementing a controls framework that enables the Company to demonstrate its compliance with various regulatory requirements. In this capacity Best Practice IFA Group Limited bears the regulatory risk associated with failing to demonstrate adequate processes and controls that are dear to the standards imposed by the regulator, the Financial Conduct Authority ('FCA').

The board recognises and mitigates these risks through its contractual arrangements with Benchmark Capital Limited, which has appropriate processes and controls to address the regulatory compliance risk.

Competition Risk

The Company operates in a market whereby there are many other independent financial advisors working in competition. The directors are of the opinion that the Company's support from the Best Practice IFA Group Limited's platform and client service solution is differentiated from the competition. This results in both a lower cost to the Company and a seamless level of client service.

As a result, the directors considered that the Company is well positioned to mitigate this risk arising from such competition.

STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2019

FINANCIAL AND ECONOMIC RISK

A high proportion of the Company's revenues are based on a percentage of the value of the assets that Redbourne Wealth Management Limited manage on behalf of underlying investors. The value of these assets, and therefore the Company's revenue entitlements, are exposed to a wide range of macro-economic and market risks that are largely beyond the Company's control. These risks are primarily derived from the performance of the stock market, changing legislation in respect of taxation and broader economic and political factors that influence private wealth and investor sentiment and capacity. The impact of Brexit will be limited to economic and political risks due to a low number of clients based outside the UK. COVID-19 will bring economic risk to the company due to volatility in the financial markets and the unknown impact of the virus (please refer to note 2.4).

The Company mitigates this risk through utilising the support from Best Practice IFA Group Limited and its regular management analysis of the relevant markets, reviewing the financial services landscape, periodic forecasting and the diversification of its client base and product offering.

The UK left the European Union on 31 January 2020 under the terms of the European Union (Withdrawal Agreement) Act 2020, beginning a transition period to 31 December 2020 during which EU law and the rulings of the European Court of Justice will still apply within and to the UK. Negotiations on the future relationship between the UK and the EU will continue but uncertainty remains as to what will be agreed before the end of the year. The impact of Brexit will be limited to economic and political risks due to a low number of clients based outside the UK.

The report was approved by the board and signed on its behalf.

G Hay
Director

Date: 17 February 2021



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF REDBOURNE WEALTH MANAGEMENT LTD

Opinion

We have audited the financial statements of Redbourne Wealth Management Limited for the year ended 31 December 2019, which comprise the statement of comprehensive income, the balance sheet, the statement of changes in equity and the related notes 1 to 17, 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).

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2019 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.

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 United Kingdom, including the Financial Reporting Council'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

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

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

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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF REDBOURNE WEALTH MANAGEMENT LTD (CONTINUED)

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

We have nothing to report in this regard.

Opinion 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 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.

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 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 on page 1, 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF REDBOURNE WEALTH MANAGEMENT LTD (CONTINUED)

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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: 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 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 for our audit work, for this report, or for the opinions we have formed.

James Beszant (Senior statutory auditor)
for and on behalf of
Ernst & Young LLP
Statutory Auditors
London

17 February 2021



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STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2019

	Note	2019 £	2018 £
Turnover	4	1,380,500	1,317,589
Cost of sales	4	(258,721)	(248,481)
GROSS PROFIT		1,121,779	1,069,108
Administrative expenses		(806,859)	(787,350)
OPERATING PROFIT BEFORE TAX	5	314,920	281,758
Tax on profit	9	(60,975)	(54,856)
PROFIT FOR THE FINANCIAL YEAR		253,945	226,902

There were no recognised gains and losses for 2019 or 2018 other than those included in the statement of comprehensive income.

There was no other comprehensive income for 2019 (2018:£NIL).

The notes on pages 12 to 19 form part of these financial statements.

REDBOURNE WEALTH MANAGEMENT LTD
REGISTERED NUMBER: 6430777

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2019

	Note	2019 £	2018 £
FIXED ASSETS			
Tangible assets	10	3,248	4,674
		<u>3,248</u>	<u>4,674</u>
CURRENT ASSETS			
Debtors: amounts falling due within one year	11	7,592	10,246
Cash at bank and in hand	12	501,021	338,470
		<u>508,613</u>	<u>348,716</u>
Creditors: amounts falling due within one year	13	(208,810)	(225,112)
NET CURRENT ASSETS		299,803	123,604
NET ASSETS		<u><u>303,051</u></u>	<u><u>128,278</u></u>
CAPITAL AND RESERVES			
Called up share capital	14	986	986
Share premium account		2,938	2,938
Profit and loss account		299,127	124,354
		<u><u>303,051</u></u>	<u><u>128,278</u></u>

The Company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

G Hay
Director

Date: 17 February 2021

The notes on pages 12 to 19 form part of these financial statements.

REDBOURNE WEALTH MANAGEMENT LTD

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2019

	Called up share capital £	Share premium account £	Profit and loss account £	Total equity £
At 1 January 2018	986	2,938	249,602	253,526
COMPREHENSIVE INCOME FOR THE YEAR				
Profit for the year	-	-	226,902	226,902
Dividends	-	-	(352,150)	(352,150)
At 1 January 2019	986	2,938	124,354	128,278
COMPREHENSIVE INCOME FOR THE YEAR				
Profit for the year	-	-	253,945	253,945
Dividends	-	-	(79,172)	(79,172)
AT 31 DECEMBER 2019	986	2,938	299,127	303,051

The notes on pages 12 to 19 form part of these financial statements.



**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

1. GENERAL INFORMATION

Redbourne Wealth Management Limited, (Company number: 6430777), is a private limited company limited by shares, incorporated in England and Wales, with its registered office at Belmont House, Shrewsbury Business Park, Shrewsbury, SY2 6LG and principal place of business at Basepoint, Isidore Road, Bromsgrove Technology Park, Bromsgrove, B60 3ET.

2. ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006. The Company has applied the Companies Act 2006 small Company provisions.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 EXEMPTIONS

Due to adopting FRS 102 the Company is exempt from disclosing the following:

- Exemption from the requirement to present disclosures relating to financial instruments, required under FRS 102 paragraphs 11.39 to 11.48A and paragraphs 12.26 to 12.29, as the information is provided in the consolidated financial statement disclosures of the Company's parent undertaking.
- Exemption from the requirement to disclose key management personnel compensation at a company level as required by FRS 102 paragraph 33.7.
- Exemption from presenting a statement of cash flows for the reporting period.
- Exemption from disclosing share based payment arrangements, required by FRS 102 paragraphs 26.18(c), 26.19 to 26.21 and 26.23, concerning its own equity instruments.

Redbourne Wealth Management Ltd is a subsidiary of Benchmark Capital Limited (the Parent). Benchmark Capital Limited prepares publicly available consolidated financial statements and Redbourne Wealth Management Ltd is included in the consolidation.

2.3 TURNOVER

Turnover is recognised on a received basis and represents the gross fee receivable from the provision of investment advisory services provided to investors.

Under the contract held between the Company and Best Practice IFA Group Limited, a significant proportion of the revenue earned is attributable to the investment advisory services provided to investors. The amount payable by the Company to Best Practice IFA Group Ltd is presented as cost of sales and is recognised on a paid basis. Best Practice IFA Group Ltd is entitled to retain a margin from the revenue/turnover earned from investors.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

2. ACCOUNTING POLICIES (CONTINUED)

2.4 GOING CONCERN

On January 30, 2020, the World Health Organization declared the outbreak of coronavirus ("COVID-19") to be a public health emergency of international concern. This coronavirus outbreak has severely restricted the level of economic activity around the world. In response to this coronavirus outbreak, the governments of many countries, states, cities and other geographic regions have taken preventative or protective actions, such as imposing restrictions on travel and business operations and advising or requiring individuals to limit or forego their time outside of their homes.

The full extent to which the COVID-19 pandemic may impact the Company's results, operations or liquidity is uncertain. Management continues to monitor the impact that the COVID-19 pandemic has on the Company, the financial services sector and the economies in which the Company operates.

Management has performed a COVID-19 impact analysis as part of their going concern assessment using information available to the date of issue of these financial statements. The analysis has modelled a number of adverse scenarios to assess the potential impact that COVID-19 may have on the Company's operations, liquidity, solvency and regulatory capital position as well as a reverse stress test to assess the stresses the balance sheet has to endure including an assessment of any relevant mitigations management have within their control to implement.

The most likely expected financial impact is in respect of the Company's future fee income as this is calculated based on a percentage of assets under management and this has fallen since the year end due to the impact of COVID-19 on listed global equity and debt markets. It is not possible to quantify the overall impact of COVID-19 as financial markets continue to react to developments and management have a number of actions that they are able to take to protect profitability and solvency.

Having performed this analysis management believes regulatory capital requirements continue to be met and have sufficient liquidity to meet its liabilities for the next 12 months and that the preparation of the financial statements on a going concern basis remains appropriate as the Company expects to be able to meet its obligations as and when they fall due for the foreseeable future.

2.5 TAXATION

Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates income.

2.6 TANGIBLE FIXED ASSETS

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

2. ACCOUNTING POLICIES (CONTINUED)

2.6 TANGIBLE FIXED ASSETS (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Computer equipment	-	33%	Straight line
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The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.7 DEBTORS

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.8 CREDITORS

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.9 DIVIDENDS

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

3.

JUDGMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION UNCERTAINTY

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The resulting accounting estimates will, by definition, seldom equal the related actual results. There are no estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

4. TURNOVER AND COST OF SALES

The whole of the turnover represents gross fees receivable from the provision of investment advisory services provided to investors.

A significant proportion of the revenue earned is attributable to the members for the financial advisory services provided to the underlying investors. The amount payable by the Company to its financial advisers is presented as Cost of Sales and is recognised on an accruals basis.

All turnover arose within the United Kingdom.

5. OPERATING PROFIT

The operating profit is stated after charging:

	2019 £	2018 £
Other operating lease rentals	35,216	28,665
Depreciation	<u>2,827</u>	<u>3,058</u>

6. AUDITOR'S REMUNERATION

The Company has not paid any auditor's remuneration as the fees for the 2018 and 2019 audits have been paid by Benchmark Capital Limited.

7. EMPLOYEES

The average monthly number of employees, including the directors, during the year was 9 (2018: 9).

8. DIRECTORS' REMUNERATION

The highest paid director received remuneration of £160,881 (2018 - £176,387).

9. TAXATION

	2019 £	2018 £
CORPORATION TAX		
Current tax on profits for the year	<u>60,975</u>	<u>54,856</u>
TAXATION ON PROFIT ON ORDINARY ACTIVITIES	<u>60,975</u>	<u>54,856</u>



**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

9. TAXATION (CONTINUED)**FACTORS AFFECTING TAX CHARGE FOR THE YEAR**

The tax assessed for the year is the same as (2018 - the same as) the standard rate of corporation tax in the UK of 19% (2018 - 19%) as set out below:

	2019 £	2018 £
Profit on ordinary activities before tax	<u>314,920</u>	<u>281,758</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2018 - 19%)	59,835	53,534
EFFECTS OF:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	869	1,852
Capital allowances for year in excess of depreciation	271	(530)
TOTAL TAX CHARGE FOR THE YEAR	<u>60,975</u>	<u>54,856</u>

FACTORS THAT MAY AFFECT FUTURE TAX CHARGES

There were no factors that may affect future tax charges.



NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

10. TANGIBLE FIXED ASSETS

	Computer equipment £
COST OR VALUATION	
At 1 January 2019	22,478
Additions	1,401
	<u>23,879</u>
At 31 December 2019	<u>23,879</u>
DEPRECIATION	
At 1 January 2019	17,804
Charge for the year on owned assets	2,827
	<u>20,631</u>
At 31 December 2019	<u>20,631</u>
NET BOOK VALUE	
At 31 December 2019	<u>3,248</u>
<i>At 31 December 2018</i>	<u>4,674</u>

11. DEBTORS

	2019 £	2018 £
Trade debtors	7,592	10,246
	<u>7,592</u>	<u>10,246</u>

12. CASH AND CASH EQUIVALENTS

	2019 £	2018 £
Cash at bank and in hand	501,021	338,470
	<u>501,021</u>	<u>338,470</u>



**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

13. CREDITORS: Amounts falling due within one year

	2019	<i>2018</i>
	£	<i>£</i>
Trade creditors	7,556	4,921
Corporation tax	60,975	54,856
Other taxation and social security	12,420	14,475
Other creditors	127,859	150,860
	<u>208,810</u>	<u><i>225,112</i></u>

14. SHARE CAPITAL

	2019	<i>2018</i>
	£	<i>£</i>
Allotted, called up and fully paid		
98,422 (2018 - 98,422) Ordinary shares of £0.01 each	984	984
100 (2018 - 100) Ordinary A shares of £0.01 each	1	1
100 (2018 - 100) Ordinary B shares of £0.01 each	1	1
	<u>986</u>	<u><i>986</i></u>

The Ordinary shares, Ordinary A shares or the Ordinary B shares are entitled to any dividend declared by the directors.

On a return of capital on liquidation or capital reduction the surplus assets of the Company will be applied firstly to capital paid up on all shares. Any remaining balance is distributed to the holders of Ordinary shares only. Any payments will be made equally between the Ordinary shares, Ordinary A shares and the Ordinary B shares.

Holders of ordinary shares have one vote each. The ordinary A shares and ordinary B shares do not carry a vote.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

15. RELATED PARTY TRANSACTIONS

Several of the shareholders of the Company including P I Lane were key management personnel at Whittingham Riddell LLP on 31 March 2019. P I Lane retired from Whittingham Riddell LLP on 31 March 2019. During the year the Company paid Whittingham Riddell LLP £19,243 (2018 - £22,305) for professional services.

Several of the shareholders of the Company including Neal Aston are key management personnel at J W Hinks LLP. During the year the Company paid J W Hinks LLP £2,160 (2018 - £4,983) for professional services.

During the year the Company made sales to Best Practice IFA Group Ltd of £1,375,600 (2018: £1,312,516), and paid expenses of £140,971 (2018: £130,074) to Best Practice IFA Group Ltd.

During the year ended 31 December 2018, Benchmark Capital Limited acquired 67.45% of the Company's ordinary share capital, in exchange for £2,866,201.

16. POST BALANCE SHEET EVENTS

COVID-19 is considered to be a non-adjusting post balance sheet event and as such no adjustments have been made to the valuation of assets and liabilities as at 31 December 2019. For further discussion concerning management's assessment of the COVID 19 impact on the Company refer to note 2.4, Basis of preparing the financial statements found on page 13.

17. CONTROLLING PARTY

67.45% of the equity of the Company is owned by Benchmark Capital Limited, a company registered in the United Kingdom whose financial statements are available from Companies House.

The ultimate controlling party of the Group is Schroders Plc by virtue of their shareholding in Benchmark Capital Limited. Schroders Administration Limited, a subsidiary of Schroders Plc, holds a 86.2% equity stake in Benchmark Capital Limited.



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