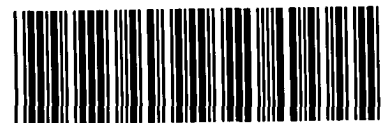

VALIANCE (SERVICES) LIMITED

DIRECTOR'S REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

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VALIANCE (SERVICES) LIMITED

COMPANY INFORMATION

Director	J Pensaert
Registered number	06568039
Registered office	14 Wigmore Street London W1U 2RE
Independent auditor	Buzzacott LLP 130 Wood Street London EC2V 6DL
Bankers	Barclays Bank Plc 1 Churchill Place London E14 5HP

VALIANCE (SERVICES) LIMITED

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VALIANCE (SERVICES) LIMITED

DIRECTOR'S REPORT FOR THE YEAR ENDED 31 MARCH 2023

The director presents his report and the consolidated financial statements for Valiance (Services) Limited ('the Company') and its subsidiary undertaking Valiance Advisors LLP ('the LLP'), together 'the Group', for the year ended the year ended 31 March 2023.

Principal activity

The principal activity of the Company in the year under review was that of providing administration services to Valiance Advisors LLP (the "LLP") which is authorised and regulated by the Finance Conduct Authority to provide investment advisory services. The Director anticipates no change to this activity.

The principal activity of the LLP is to provide investment advisory services to Valiance Asset Management Limited, an investment manager based in Guernsey.

Results and financial position

The Group profit for the year, after taxation and minority interests, amounted to £84,919 (2022: £120,475).

The Group profit for the year, after taxation, amounted to £254,919 (2022: £270,475).

The Group's net assets at 31 March 2023 were £1,386,219 (2022: £1,301,300). The Director is satisfied with the performance of the business.

Going concern

The director has a reasonable expectation that the company has adequate resources to continue in operational existence and meet its liabilities as they fall due for the foreseeable future. Accordingly, they continue to adopt the going concern basis in the financial statements.

Considering the above, the director has reviewed the Company's forecasts and considered the impact on going concern, concluding that the going concern basis remains an appropriate basis of preparation for these financial statements given the likely cash flows from operations 12 months from the date of signing this report.

Director

The Director who served during the year ended 31 March 2023 and up to the date of approval of this report was:

J Pensaert

VALIANCE (SERVICES) LIMITED

DIRECTOR'S REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

Director's responsibilities statement

The director is responsible for preparing the Director's Report and the consolidated financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has elected to prepare the financial statements 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 director must not approve the financial statements unless he is satisfied that they give a true and fair view of the state of affairs of the Company and the Group and of the profit or loss of the Group for that period.

In preparing these financial statements, the director is required to:

- select suitable accounting policies for the Group'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 on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The director is 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 the Group and to enable him to ensure that the financial statements comply with the Companies Act 2006. He is also responsible for safeguarding the assets of the Company and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditor

The director at the time when this Director's Report is approved has confirmed that:

- so far as he is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- he 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 auditors are aware of that information.

Auditor

The auditor, Buzzacott 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.

VALIANCE (SERVICES) LIMITED

**DIRECTOR'S REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023**

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



.....
J Pensaert
Director

Date: 25 July 2023

VALIANCE (SERVICES) LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF VALIANCE (SERVICES) LIMITED

Opinion

We have audited the financial statements of Valiance Services Limited ('the Company') and its subsidiaries ('the Group') for the year ended 31 March 2023, which comprise the Consolidated Statement of Comprehensive Income, the Consolidated and Company Statements of Financial Position, the Consolidated and Company Statements of Changes in Equity, the Consolidated Statement of Cash Flows, the Consolidated Analysis of Net Debt and the related notes, including a summary of the 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 March 2023 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 Group 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

In auditing the financial statements, we have concluded that the director's 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 Group's or 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 director with respect to going concern are described in the relevant sections of this report.

VALIANCE (SERVICES) LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF VALIANCE (SERVICES) LIMITED

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 contained within the Annual report. 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.

Opinion on 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 Director's report for the financial year for which the financial statements is prepared is consistent with the financial statements; and
- the Director's 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 Group and the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Director's 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 by the Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the Company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the director was not entitled to take advantage of the small companies' exemptions in preparing the Director's report and from the requirement to prepare a Strategic report.

VALIANCE (SERVICES) LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF VALIANCE (SERVICES) LIMITED

Responsibilities of directors

As explained more fully in the Director's responsibilities statement, the director is 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 director determines 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 director is responsible for assessing the Group's and 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 Group or 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 Group 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 extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the Senior Statutory Auditor ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations, including from our knowledge specific to auditing regulated investment advisory firms;
- we made enquiries of management as to where they considered there was susceptibility to fraud, and their knowledge of actual, suspected and alleged fraud;
- we identified the laws and regulations that could reasonably be expected to have a material effect on the financial statements of the Group and Company through discussions with management at the planning stage, and from our knowledge specific to auditing regulated investment advisory firms;
- the audit team held a discussion to identify any particular areas that were considered to be susceptible to misstatement, including with respect to fraud and non-compliance with laws and regulations; and
- we focused our planned audit work on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the Company including the Companies Act 2006, The Financial Services and Markets Act 2000, employment legislation and taxation legislation.

VALIANCE (SERVICES) LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF VALIANCE (SERVICES) LIMITED

Auditor's responsibilities for the audit of the financial statements (continued)

We assessed the extent of compliance with the laws and regulations identified above through:

- making enquiries of management;
- inspecting legal expenditure throughout the period for any potential litigation or claims; and
- considering the internal controls in place that are designed to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- determined the susceptibility of the Group and Company to management override of controls by checking the implementation of controls and enquiring of individuals involved in the financial reporting process;
- reviewed journal entries to identify unusual transactions;
- performed analytical procedures to identify any large, unusual or unexpected transactions and investigated any large variances from the prior period;
- reviewed accounting estimates and evaluated where judgements or decisions made by management indicated bias on the part of the Group's and Company's management; and
- carried out substantive testing to check the occurrence and cut-off of expenditure.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included:

- agreeing financial statement disclosures to underlying supporting documentation; and
- enquiring of management as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. Irregularities that result from fraud might be inherently more difficult to detect than irregularities that result from error as they may involve deliberate concealment or collusion. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence if any.

A further description of our responsibilities is available on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditor's report.

Other matters

The company did not prepare consolidated accounts for the prior period and therefore the corresponding figures are unaudited.

VALIANCE (SERVICES) LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF VALIANCE (SERVICES) LIMITED

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.



Peter Chapman (Senior statutory auditor)
for and on behalf of
Buzzacott LLP
Statutory Auditor
130 Wood Street
London
EC2V 6DL

Date: 25 July 2023

VALIANCE (SERVICES) LIMITED

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2023**

	Note	2023 £	2022 £
Turnover	4	1,500,228	1,699,086
Administrative expenses		(1,213,843)	(1,394,623)
Operating profit	5	286,385	304,463
Tax on profit	8	(31,465)	(33,988)
Profit for the financial year		254,920	270,475
Profit for the year attributable to:			
Non-controlling interests		170,000	150,000
Owners of the parent Company		84,920	120,475
		254,920	270,475

The notes on pages 16 to 27 form part of these financial statements.

VALIANCE (SERVICES) LIMITED
REGISTERED NUMBER: 06568039

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	9	179,446	222,872
		<u>179,446</u>	<u>222,872</u>
Current assets			
Debtors	11	1,541,472	1,227,339
Cash at bank and in hand	12	13,184	176,259
		<u>1,554,656</u>	<u>1,403,598</u>
Creditors: amounts falling due within one year	13	(347,882)	(325,170)
Net current assets		<u>1,206,774</u>	<u>1,078,428</u>
Total assets less current liabilities		<u>1,386,220</u>	<u>1,301,300</u>
Net assets		<u>1,386,220</u>	<u>1,301,300</u>
Capital and reserves			
Called up share capital	14	100	100
Share premium account	15	209,901	209,901
Profit and loss account	15	1,171,219	1,086,299
Equity attributable to owners of the parent Company		<u>1,381,220</u>	<u>1,296,300</u>
Non-controlling interests		5,000	5,000
		<u>1,386,220</u>	<u>1,301,300</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 25 July 2023.



.....
J Pensaert
 Director

The notes on pages 16 to 27 form part of these financial statements.

VALIANCE (SERVICES) LIMITED
REGISTERED NUMBER: 06568039

COMPANY STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	9	179,446	222,872
Investments	10	680,000	680,000
		<u>859,446</u>	<u>902,872</u>
Current assets			
Debtors	11	837,574	585,455
Cash at bank and in hand	12	13,107	123,893
		<u>850,681</u>	<u>709,348</u>
Creditors: amounts falling due within one year		<u>(328,907)</u>	<u>(315,920)</u>
Net current assets		<u>521,774</u>	<u>393,428</u>
Total assets less current liabilities		<u>1,381,220</u>	<u>1,296,300</u>
Net assets		<u><u>1,381,220</u></u>	<u><u>1,296,300</u></u>
Capital and reserves			
Called up share capital	14	100	100
Share premium account	15	209,901	209,901
Profit and loss account brought forward		1,086,299	965,824
Profit for the year		84,920	120,475
Profit and loss account carried forward		<u>1,171,219</u>	<u>1,086,299</u>
		<u><u>1,381,220</u></u>	<u><u>1,296,300</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 25 July 2023.



.....
J Pensaert
 Director

The notes on pages 16 to 27 form part of these financial statements.

VALIANCE (SERVICES) LIMITED

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2023**

	Called up share capital £	Share premium account £	Profit and loss account £	Equity attributable to owners of parent Company £	Non- controlling interests £	Total equity £
At 1 April 2022	100	209,901	1,086,299	1,296,300	5,000	1,301,300
Profit for the year	-	-	84,920	84,920	170,000	254,920
Transactions with non- controlling interests	-	-	-	-	(170,000)	(170,000)
At 31 March 2023	100	209,901	1,171,219	1,381,220	5,000	1,386,220

The notes on pages 16 to 27 form part of these financial statements.

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2022**

	Called up share capital £	Share premium account £	Profit and loss account £	Equity attributable to owners of parent Company £	Non- controlling interests £	Total equity £
At 1 April 2021	100	209,901	965,824	1,175,825	5,000	1,180,825
Profit for the year	-	-	120,475	120,475	150,000	270,475
Transactions with non-controlling interests	-	-	-	-	(150,000)	(150,000)
At 31 March 2022	100	209,901	1,086,299	1,296,300	5,000	1,301,300

The notes on pages 16 to 27 form part of these financial statements.

VALIANCE (SERVICES) LIMITED

**COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2023**

	Called up share capital	Share premium account	Profit and loss account	Total equity
	£	£	£	£
At 1 April 2022	100	209,901	1,086,299	1,296,300
Profit for the year	-	-	84,920	84,920
At 31 March 2023	100	209,901	1,171,219	1,381,220

The notes on pages 16 to 27 form part of these financial statements.

**COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2022**

	Called up share capital	Share premium account	Profit and loss account	Total equity
	£	£	£	£
At 1 April 2021	100	209,901	965,824	1,175,825
Profit for the year	-	-	120,475	120,475
At 31 March 2022	100	209,901	1,086,299	1,296,300

The notes on pages 16 to 27 form part of these financial statements.

VALIANCE (SERVICES) LIMITED

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2023**

	2023 £	2022 £
Cash flows from operating activities		
Profit for the financial year	254,920	270,475
Adjustments for:		
Depreciation of tangible assets	68,082	26,373
Taxation charge	31,465	33,988
(Increase)/decrease in debtors	(314,133)	5,613
Increase in creditors	25,235	77,826
Corporation tax (paid)	(33,988)	(28,958)
Net cash generated from operating activities	<u>31,581</u>	<u>385,317</u>
Cash flows from investing activities		
Purchase of tangible fixed assets	(24,656)	(241,866)
Net cash from investing activities	<u>(24,656)</u>	<u>(241,866)</u>
Cash flows from financing activities		
Payments to non-controlling interests	(170,000)	(150,000)
Net cash used in financing activities	<u>(170,000)</u>	<u>(150,000)</u>
Net (decrease) in cash and cash equivalents	<u>(163,075)</u>	<u>(6,549)</u>
Cash and cash equivalents at beginning of year	176,259	182,808
Cash and cash equivalents at the end of year	<u><u>13,184</u></u>	<u><u>176,259</u></u>
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	13,184	176,259
	<u><u>13,184</u></u>	<u><u>176,259</u></u>

The notes on pages 16 to 27 form part of these financial statements.

VALIANCE (SERVICES) LIMITED

**CONSOLIDATED ANALYSIS OF NET DEBT
FOR THE YEAR ENDED 31 MARCH 2023**

	At 1 April 2022 £	Cash flows £	At 31 March 2023 £
Cash at bank and in hand	176,259	(163,075)	13,184

The notes on pages 16 to 27 form part of these financial statements.

VALIANCE (SERVICES) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

1. General information

Valiance (Services) Limited ("the Company") is a private limited company incorporated in England and Wales. The address of its registered office is 14 Wigmore Street, London, W1U 2RE.

The principal activity of the Company in the year under review was that of providing administration services to Valiance Advisors LLP (the "LLP") which is authorised and regulated by the Finance Conduct Authority to provide investment advisory services. The Director anticipates no change to this activity.

The principal activity of the LLP is to provide investment advisory services to Valiance Asset Management Limited, an investment manager based in Guernsey.

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 a subsidiary, Valiance Advisors LLP ("the Partnership") and is required to prepare consolidated financial statements.

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

The following principal accounting policies have been applied:

2.2 Basis of consolidation

The consolidated financial statements present the results of the Company and its subsidiary undertaking, Valiance Advisors LLP ("the LLP") (collectively "the Group" as if they form a single entity). All material intercompany transactions and balances have been eliminated in the Group financial statements.

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Comprehensive Income in these financial statements. The profit after tax of the parent Company for the year ended 31 March 2023 was £84,920 (2022: £120,475).

As a qualifying entity under FRS 102, the Company has taken advantage of the exemptions allowed under Section 1.12 from preparing its own cash flow statement on the basis that the Statement of Cash Flows is presented on a consolidated basis and includes the cash flows of the Company.

2.3 Going concern

The director has a reasonable expectation that the company has adequate resources to continue in operational existence and meet its liabilities as they fall due for the foreseeable future. Accordingly, they continue to adopt the going concern basis in the financial statements.

Considering the above, the director has reviewed the Company's forecasts and considered the impact on going concern, concluding that the going concern basis remains an appropriate basis of preparation for these financial statements given the likely cash flows from operations 12 months from the date of signing this report.

VALIANCE (SERVICES) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

2. Accounting policies (continued)

2.4 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

2.5 Turnover recognition

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the Company and the turnover can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Turnover represents fees for investment advisory services provided by Valiance Advisors LLP ("the LLP") to Valiance Asset Management Limited, an investment manager based in Guernsey. Fees are recognised when the LLP obtains the right for consideration in exchange for its performance.

2.6 Operating leases

Rentals paid under operating leases are charged to the Consolidated Statement of Comprehensive Income on a straight line basis over the lease term.

2.7 Pensions

Defined contribution pension plan

The Group operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. Once the contributions have been paid the Group has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the Group in independently administered funds.

2.8 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 and the Group operate and generate income.

VALIANCE (SERVICES) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

2. Accounting policies (continued)

2.9 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.

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:

Leasehold improvements	- Over the period of the lease
Fixtures and fittings	- 3 years straight line
Office equipment	- 3 years straight line

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.

2.10 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.11 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.

2.12 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours.

2.13 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.

2.14 Financial instruments

The company only enters into transactions that result in the recognition of basic financial instruments like trade and other debtors and creditors and loans to or from related parties.

Debt instruments that are payable or receivable within one year, typically trade payables or receivables, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration, expected to be paid or received. However if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond

VALIANCE (SERVICES) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

2. Accounting policies (continued)

2.14 Financial instruments (continued)

normal business terms or financed at a rate of interest that is not a market rate or in case of an outright short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Fixed asset investments are measured at cost less impairment.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of comprehensive income.

Financial assets and liabilities are offset and the net amount reported in the Statement of financial position when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

3. Judgments 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 date and the amounts reported for revenue and expenses during the year. The members are of the opinion that due to nature of the business there are no critical accounting estimates or judgements used in preparing these financial statements.

4. Turnover

All turnover arose within the United Kingdom.

5. Operating profit

The operating profit is stated after charging:

	2023	2022
	£	£
Exchange differences	1,044	5,415
Other operating lease rentals	150,474	124,059

VALIANCE (SERVICES) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

6. Auditor's remuneration

	2023 £	2022 £
Fees payable to the independent parent company auditor for the audit of the Group's financial statements	13,000	8,250
Fees payable to the independent subsidiary auditor and its associates for the audit of the subsidiary financial statements	12,500	8,050
Fees payable to the independent subsidiary auditor and its associates for audit-related assurance services	2,500	2,500
	<u>28,000</u>	<u>18,850</u>

Auditor's remuneration for the year ended 31 March 2022 was payable to the previous auditor of the Group and LLP.

7. Employees

Group staff costs, including director's remuneration, were as follows:

	2023 £	2022 £
Wages and salaries	468,652	716,295
Social security costs	58,346	86,911
Cost of defined contribution scheme	41,917	46,757
	<u>568,915</u>	<u>849,963</u>

The average monthly number of employees, including the director, during the year was as follows:

	Group 2023 No.	Group 2022 No.	Company 2023 No.	Company 2022 No.
Adminstration	<u>5</u>	<u>7</u>	<u>5</u>	<u>7</u>

VALIANCE (SERVICES) LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

8. Taxation

	2023 £	2022 £
Corporation tax		
Current tax on profits for the year	31,465	33,988
Total current tax	<u>31,465</u>	<u>33,988</u>
Taxation on profit on ordinary activities	<u>31,465</u>	<u>33,988</u>

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2022: lower than) the standard rate of corporation tax in the UK of 19% (2022: 19%). The differences are explained below:

	2023 £	2022 £
Profit on ordinary activities before tax	<u>286,384</u>	<u>304,463</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2022 - 19%)	54,413	57,848
Effects of:		
Expenses not deductible for tax purposes	9,352	4,640
Allocation to members of the subsidiary	(32,300)	(28,500)
Total tax charge for the year	<u>31,465</u>	<u>33,988</u>

Factors that may affect future tax charges

With effect from 1 April 2023 the rate of corporation tax increased, tapering from 19% for businesses with profits of less than £50,000 to 25% for businesses with profits over £250,000.

VALIANCE (SERVICES) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

9. Tangible fixed assets

Group

	Leasehold improvements £	Fixtures and fittings £	Office equipment £	Total £
Cost or valuation				
At 1 April 2022	173,129	68,767	70,474	312,370
Additions	1,232	18,672	4,752	24,656
Disposals	(27,719)	-	-	(27,719)
At 31 March 2023	<u>146,642</u>	<u>87,439</u>	<u>75,226</u>	<u>309,307</u>
Depreciation				
At 1 April 2022	37,413	8,843	43,242	89,498
Charge for the year	29,267	27,139	11,676	68,082
Disposals	(27,719)	-	-	(27,719)
At 31 March 2023	<u>38,961</u>	<u>35,982</u>	<u>54,918</u>	<u>129,861</u>
Net book value				
At 31 March 2023	<u><u>107,681</u></u>	<u><u>51,457</u></u>	<u><u>20,308</u></u>	<u><u>179,446</u></u>
At 31 March 2022	<u><u>135,716</u></u>	<u><u>59,924</u></u>	<u><u>27,232</u></u>	<u><u>222,872</u></u>

VALIANCE (SERVICES) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

9. Tangible fixed assets (continued)

Company

	Leasehold improvements £	Fixtures and fittings £	Office equipment £	Total £
Cost or valuation				
At 1 April 2022	173,129	68,767	70,474	312,370
Additions	1,232	18,672	4,752	24,656
Disposals	(27,719)	-	-	(27,719)
At 31 March 2023	<u>146,642</u>	<u>87,439</u>	<u>75,226</u>	<u>309,307</u>
Depreciation				
At 1 April 2022	37,413	8,843	43,242	89,498
Charge for the year	29,267	27,139	11,676	68,082
Disposals	(27,719)	-	-	(27,719)
At 31 March 2023	<u>38,961</u>	<u>35,982</u>	<u>54,918</u>	<u>129,861</u>
Net book value				
At 31 March 2023	<u>107,681</u>	<u>51,457</u>	<u>20,308</u>	<u>179,446</u>
At 31 March 2022	<u>135,716</u>	<u>59,924</u>	<u>27,232</u>	<u>222,872</u>

VALIANCE (SERVICES) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

10. Fixed asset investments

Company

	Investments in subsidiary company £
Cost or valuation	
At 1 April 2022	680,000
At 31 March 2023	680,000

Subsidiary undertaking

At 31 March 2023, the following was the subsidiary undertaking of the Company:

Name	Registered office	Class of shares	Holding
Valiance Advisors LLP	14 Wigmore Street, London, England, W1U 2RE	Ordinary	99.3%

VALIANCE (SERVICES) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

11. Debtors

	Group 2023 £	<i>Group 2022 £</i>	Company 2023 £	<i>Company 2022 £</i>
Due after more than one year				
Other debtors	99,990	99,990	99,990	99,990
	99,990	99,990	99,990	99,990
Due within one year				
Amounts owed by group undertakings	863,788	446,103	664,925	314,310
Other debtors	17,866	158,065	17,865	158,065
Prepayments and accrued income	57,343	20,696	54,794	13,090
Amounts due from non-controlling interest	502,485	502,485	-	-
	1,541,472	1,227,339	837,574	585,455

12. Cash and cash equivalents

	Group 2023 £	<i>Group 2022 £</i>	Company 2023 £	<i>Company 2022 £</i>
Cash at bank and in hand	13,184	176,259	13,107	123,893

13. Creditors: amounts falling due within one year

	Group 2023 £	<i>Group 2022 £</i>	Company 2023 £	<i>Company 2022 £</i>
Trade creditors	84,395	106,879	84,395	106,879
Corporation tax	31,465	33,988	31,465	33,988
Other taxation and social security	50,945	126,162	50,945	126,162
Other creditors	827	-	827	-
Accruals and deferred income	180,250	58,141	161,275	48,891
	347,882	325,170	328,907	315,920

VALIANCE (SERVICES) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

14. Share capital

	2023	2022
	£	£
Allotted, called up and fully paid		
100 (2022: 100) Ordinary shares of £1.00 each	100	100
	<u>100</u>	<u>100</u>

The shares have attached to them full voting, dividend and capital distribution (including on winding up) rights; they do not confer any rights of redemption.

15. Reserves

Share premium account

The share premium account includes all current and prior period premiums arising on the issue of share capital.

Profit and loss account

The profit and loss account includes all current and prior period retained profit and losses.

16. Pension commitments

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £41,917 (2022: £46,757). Contributions totalling £nil (2022: £nil) were payable to the fund at the reporting date.

17. Commitments under operating leases

At 31 March 2023 the Group and the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	Group	Group	Company	Company
	2023	2022	2023	2022
	£	£	£	£
Not later than 1 year	166,650	24,191	166,650	24,191
Later than 1 year and not later than 5 years	447,984	614,634	447,984	614,634
	<u>614,634</u>	<u>638,825</u>	<u>614,634</u>	<u>638,825</u>

VALIANCE (SERVICES) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

18. Related party transactions

During the year, the Company charged its subsidiary undertaking, Valiance Advisory LLP ("the LLP"), £1,174,200 (2022: £1,368,760) for administration services, incurred expenditure of its behalf of £15,864 (2022: £11,975) and received a profit share of £116,384 (2022: £154,462). Also during the year, the LLP transferred funds to the Company of £440,228 (2022: £930,496) along with other movements of £520,163 (2022: £1,236,851). As at 31 March 2023, the balance owed to the Company was £655,153 (2022: £309,096), which was included in debtors. This balance is unsecured, interest-free and repayable upon demand. The LLP is considered to be a related party as it is a subsidiary of the company.

19. Immediate parent undertaking and ultimate controlling party

The Company's immediate parent undertaking is Valiance Asset Management Limited, an entity incorporated in Guernsey. A company incorporated and domiciled in Guernsey.

The largest group of undertakings for which group accounts have been drawn up which include the Company and LLP is headed by Valiance Asset Management Limited. The address of its registered office and principle place of business is First Floor, Tudor House, Le Bordage, St Peter Port, Guernsey, GY1 1DB.

The ultimate controlling party is J Pensaert.