

Registered number: 07223330

EQ INVESTORS LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 APRIL 2020



EQ INVESTORS LIMITED

COMPANY INFORMATION

Directors

J Spiers
S Callaghan
P Trueman
A Branfield
M Kenner
J Boyle
M Neumann
M Howlett
S Kennedy
N Papadakis

Registered number

07223330

Registered office

6th Floor
60 Gracechurch Street
London
EC3V 0HR

Independent auditor

MHA MacIntyre Hudson
Chartered Accountants & Statutory Auditors
2 London Wall Place
London
EC2Y 5AU

EQ INVESTORS LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 30 APRIL 2020

Introduction

The Directors present the Strategic Report for the year ended 30 April 2020.

Business review

EQ Investors Limited is the principal operating company of EQ Investors Group Ltd, a registered B Corporation that is owned by staff.

Based in the City of London, EQ is an award winning wealth management firm that provides planning led, investment driven solutions to private clients and investment management services to institutions and IFAs. It has a particularly strong proposition for investors seeking sustainable investment portfolios via its Positive Impact and the recently launched Future Leaders portfolios.

During the year, the Company has seen further growth with assets under management increasing from £870m to £950m and turnover from £7.4m to £8.2m despite the adverse impacts of the Covid-19 crisis in the final two months of the year which led to a steep fall in market values. For the first time under current ownership the company recorded a profit.

The current year has started strongly despite the Covid related restrictions and subject to markets remaining stable the directors anticipate further growth.

EQ INVESTORS LIMITED

STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2020

Principal risks and uncertainties

The Board has identified a number of business, reputational and operational risks that are pertinent to the Company's future performance. There is also considerable focus on managing other business risks such as "know your client" and suitability of advice.

Ultimately, the Board is responsible for determining the level of risk acceptable to the group and this is subject to regular review. The Board ensures effective implementation of policies and procedures which minimise the extent of risk facing the Company at any time. The Company has a Risk Committee which regularly reviews risks and policies to mitigate these. The Company maintains a Risk Register which is the main tool for monitoring risk, assessing its impact and considering any mitigating action. A risk is rated based on its probability as well as its potential impact.

COVID-19

In common with all businesses in the UK, the Company has been impacted by the government's response to the COVID-19 pandemic. The Directors have taken steps to minimise the impact on the Company in line with the government's advice and recommendations. While the uncertainty surrounding the duration of the pandemic suggests that the Company is unlikely to be completely unaffected, the Directors consider that it is well placed, particularly in cash terms, to ensure that there are no long term structural consequences on its business.

Market Risk

Most of the Company's revenues are linked to the value of clients' investments so a significant fall in markets would impact the Company's revenue. Most client portfolios have a diverse asset allocation matched to the clients risk profile which limits the impact of a fall in any one asset class. The finance team regularly models various economic scenarios to ensure adequate capital is maintained to cover these scenarios.

KYC & Suitability

Suitability of investments for clients is considered an imperative throughout the Company's activities. The Company is also clear that sufficient "Know your client" information is held on all clients to mitigate risk on inappropriate advice to ensure that clients are provided with products and services that are suitable for them both when investing and on an ongoing basis.

Regulatory

The Company is regulated by the Financial Conduct Authority for the purposes of giving investment advice. The Company takes the obligations of this regulation very seriously and has a designated compliance officer who monitors the performance of the Company using stringent internal processes.

Competition

The Directors consider that the Company can compete effectively in the current environment in its target market. The Company has spent considerable time in positioning itself to give the most effective offering to clients within its chosen space and believe that this, together with a well-managed cost base, will enable competitive pressures to be withstood.

IT Security

The Directors attach high priority to managing the risks posed by IT security breaches, including a review of cybersecurity and General Data Protection Regulation (GDPR) compliance.

Other Business risk

The Company is also exposed to the risk of a significant loss of clients either through reputational risk or the

EQ INVESTORS LIMITED

**STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 30 APRIL 2020**

loss of key staff. The former is managed by a rigorous investment process and the latter by an alignment of interest between key employees and shareholders.

Financial key performance indicators

The financial key performance indicators are considered to be turnover and profit before amortisation of goodwill. Turnover increased by 11% from £7.4m to £8.2m and profit before amortisation of goodwill improved from a loss of £34k to a profit of £228k.

The profitability trend continues to improve and, whilst the first six months of the year were lossmaking, the company traded profitably in the second half of the year. The Company is on target to make a profit before amortisation of goodwill during the current year. This is driven by the increase in turnover as a result of increased assets under management which, allied to a control of costs has a direct impact on bottom line results.

Other key performance indicators

Other key performance indicators are considered to be assets under management and proportion of assets under fee based discretionary management. These are discussed in the business review section of this report.

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

J Spiers
Director

Date: 30/7/20



EQ INVESTORS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 30 APRIL 2020

The directors present their report and the financial statements for the year ended 30 April 2020.

Principal activity

The principal activity of the Company continued to be that of wealth management consultancy.

Results and dividends

The profit for the year, after taxation, amounted to £47,558 (2019 - loss £214,213).

No dividends were paid or proposed in respect of the year (2019 - £Nil).

Directors

The directors who served during the year were:

J Spiers
S Callaghan
P Trueman
A Branfield
M Kenner
J Boyle
M Neumann
M Howlett
S Kennedy

V Cox, a director during the year, resigned on 31 October 2019. N Papadakis was appointed on 16 June 2020.

Matters dealt with in the Strategic Report

In accordance with section 414c (ii) of the Companies Act 2006 the Directors have chosen to include the following items in the Strategic Report:

- Strategy of the Company
- Risks and performance
- Future developments

EQ INVESTORS LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 APRIL 2020**

Directors' responsibilities statement

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with 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 unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

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

- select suitable accounting policies 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 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 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.

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.

Post balance sheet events

There have been no significant events affecting the Company since the year end.

This report was approved by the board on 30 July 2020 and signed on its behalf.


J Spiers
Director

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF EQ INVESTORS LIMITED

Opinion

We have audited the financial statements of EQ Investors Limited (the 'Company') for the year ended 30 April 2020, which comprise the Statement of Comprehensive Income, the Balance Sheet and the related notes, 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 30 April 2020 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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.

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

EQ INVESTORS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF EQ INVESTORS LIMITED (CONTINUED)

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 5, 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 EQ INVESTORS LIMITED (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.

MHA MacIntyre Hudson

Rakesh Shaunak (FCA) (Senior Statutory Auditor)

for and on behalf of
MHA MacIntyre Hudson

Chartered Accountants
Statutory Auditors

2 London Wall Place
London
EC2Y 5AU

Date: 20 August 2020

EQ INVESTORS LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 APRIL 2020**

	Note	2020 £	2019 £
Turnover	4	8,217,366	7,413,769
Cost of sales		(1,200,113)	(1,002,158)
Gross profit		7,017,253	6,411,611
Administrative expenses		(6,789,695)	(6,445,824)
Exceptional administrative expenses - amortisation		(180,000)	(180,000)
Operating profit/(loss)	5	47,558	(214,213)
Profit/(loss) for the financial year		47,558	(214,213)

There were no recognised gains and losses for 2020 or 2019 other than those included in the statement of comprehensive income.

There was no other comprehensive income for 2020 (2019: £NIL).

The notes on pages 11 to 22 form part of these financial statements.

EQ INVESTORS LIMITED
REGISTERED NUMBER: 07223330

BALANCE SHEET
AS AT 30 APRIL 2020

	Note	2020 £	2019 £
Fixed assets			
Intangible assets	10	885,000	1,065,000
Tangible assets	11	251,820	307,020
		<u>1,136,820</u>	<u>1,372,020</u>
Current assets			
Debtors: amounts falling due within one year	12	3,347,031	3,374,934
Cash at bank and in hand	13	732,908	317,133
		<u>4,079,939</u>	<u>3,692,067</u>
Creditors: amounts falling due within one year	14	(1,386,648)	(1,281,534)
Net current assets		<u>2,693,291</u>	<u>2,410,533</u>
Net assets		<u><u>3,830,111</u></u>	<u><u>3,782,553</u></u>
Capital and reserves			
Called up share capital	15	7,850,001	7,850,001
Profit and loss account	16	(4,019,890)	(4,067,448)
		<u><u>3,830,111</u></u>	<u><u>3,782,553</u></u>

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

J Spiers
 Director

Date: 30/7/20

The notes on pages 11 to 22 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2020**

1. General information

The Company is a private company limited by shares and is incorporated in England and Wales. The registered office is 6th Floor, 60 Gracechurch Street, London, EC3V 0HR and the Company's principal place of business is Centennium House, 100 Lower Thames Street, London, EC3R 6DL.

The financial statements are presented in pound sterling which is the functional currency of the Company and are rounded to the nearest pound.

The significant accounting policies applied in the preparation of these financial statement are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

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 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 Financial reporting standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 4 Statement of Financial Position paragraph 4.12(a)(iv);
- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of EQ Investors Group Limited as at 30 April 2020 and these financial statements may be obtained from Companies House.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2020**

2. Accounting policies (continued)

2.3 Going concern

The financial statements have been prepared on the going concern basis which is dependent upon the financial support of the company's fellow group companies.

In common with all businesses in the UK, the Company has been impacted by the government's response to the COVID-19 pandemic. The Directors have taken steps to minimise the impact on the Company in line with the government's advice and recommendations.

The steps taken include:

- the introduction of homeworking wherever possible while maintaining a skeleton staff at the Company's premises but only where compliant with government guidelines;
- revising budgets and forecasts to consider the impact of COVID-19 on the business, and, in particular, the cash needs of the business in the short and medium term.

While the uncertainty surrounding the duration of the pandemic suggests that the Company is unlikely to be completely unaffected, the Directors consider that it is well placed, particularly in cash terms, to ensure that there are no long term structural consequences on its business.

2.4 Revenue

Turnover comprises revenue recognised by the Company in respect of wealth management services. Revenue is recognised as earned when, and to the extent that, the Company obtains the right to consideration in exchange for its performance.

Revenue due for the year end, but not received until after the year end, is disclosed in the accounts and recognised under accrued income.

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

2.5 Operating leases: the Company as lessee

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2020**

2. Accounting policies (continued)

2.6 Pensions

Defined contribution pension plan

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

The contributions are recognised as an expense in the Statement of Comprehensive Income when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Company in independently administered funds.

2.7 Exceptional items

Exceptional items are transactions that fall within the ordinary activities of the Company but are presented separately due to their size or incidence.

2.8 Intangible assets

Goodwill

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight line basis to the Statement of Comprehensive Income over its useful economic life.

Other intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

The estimated useful lives range as follows:

Goodwill	-	10	years
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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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2020**

2. Accounting policies (continued)**2.9 Tangible fixed assets (continued)**

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, on the following bases.

Depreciation is provided on the following basis:

Fixtures and fittings	-	10% Straight line
Computer equipment	-	33% Reducing balance

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 the Statement of Comprehensive Income.

2.10 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.

2.11 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. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.12 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.

2.13 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, 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 normal business terms or financed at a rate of interest that is not a market rate or in the case of an out-right 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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2020**

2. Accounting policies (continued)

2.13 Financial instruments (continued)

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.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet 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 Company makes estimates and assumptions concerning future performance. The resulting accounting estimates will, by definition, seldom equal the actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities are set out below:

3.1 Going Concern

The Directors judgement is that the financial statements should be prepared on a going concern basis. The accounting policies and Strategic Report give further details with respect to the Company's response to the COVID-19 pandemic.

EQ INVESTORS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2020**

4. Turnover

An analysis of turnover by class of business is as follows:

	2020 £	2019 £
Wealth management	8,217,366	7,413,769
	<u>8,217,366</u>	<u>7,413,769</u>

	2020 £	2019 £
United Kingdom	8,217,366	7,413,769
	<u>8,217,366</u>	<u>7,413,769</u>

5. Operating profit/(loss)

The operating profit/(loss) is stated after charging:

	2020 £	2019 £
Other operating lease rentals	271,261	279,524
	<u>271,261</u>	<u>279,524</u>

6. Auditor's remuneration

	2020 £	2019 £
Fees payable to the Company's auditor for the audit of the Company's annual financial statements	13,750	13,500
	<u>13,750</u>	<u>13,500</u>

The Company has taken advantage of the exemption not to disclose amounts paid for non audit services as these are disclosed in the group accounts of the parent Company.

EQ INVESTORS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2020**

7. Employees

Staff costs, including directors' remuneration, were as follows:

	2020 £	2019 £
Wages and salaries	4,166,309	4,125,170
Social security costs	488,613	473,658
Cost of defined contribution scheme	369,261	267,413
	<u>5,024,183</u>	<u>4,866,241</u>

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

	2020 No.	2019 No.
Administrative and consultants	<u>62</u>	<u>60</u>

8. Directors' remuneration

	2020 £	2019 £
Directors' emoluments	1,285,895	1,341,351
Company contributions to defined contribution pension schemes	39,486	34,269
	<u>1,325,381</u>	<u>1,375,620</u>

During the year retirement benefits were accruing to 5 directors (2019 - 6) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £224,224 (2019 - £239,470).

The value of the company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £NIL (2019 - £NIL).

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2020

9. Taxation

	2020 £	2019 £
Total current tax	-	-

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2019 - lower than) the standard rate of corporation tax in the UK of 19% (2019 - 19%). The differences are explained below:

	2020 £	2019 £
Profit/(loss) on ordinary activities before tax	47,558	(214,213)
Profit/(loss) on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2019 - 19%)	9,036	(40,700)
Effects of:		
Non-tax deductible amortisation of goodwill and impairment	34,200	34,200
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	7,581	-
Capital allowances for year in excess of depreciation	3,634	10,488
Utilisation of tax losses	(54,451)	-
Group relief	-	(3,988)
Total tax charge for the year	-	-

Factors that may affect future tax charges

The Group has tax losses of approximately £3,900,000 (2019 - £4,100,000) available for use against future trading profits.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2020**

10. Intangible assets

	Goodwill £
Cost	
At 1 May 2019	1,800,000
At 30 April 2020	1,800,000
Amortisation	
At 1 May 2019	735,000
Charge for the year on owned assets	180,000
At 30 April 2020	915,000
Net book value	
At 30 April 2020	885,000
At 30 April 2019	1,065,000

EQ INVESTORS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2020**

11. Tangible fixed assets

	Fixtures and fittings £	Computer equipment £	Total £
Cost			
At 1 May 2019	417,420	88,095	505,515
Disposals	-	(88,095)	(88,095)
At 30 April 2020	417,420	-	417,420
Depreciation			
At 1 May 2019	110,400	88,095	198,495
Charge for the year on owned assets	55,200	-	55,200
Disposals	-	(88,095)	(88,095)
At 30 April 2020	165,600	-	165,600
Net book value			
At 30 April 2020	251,820	-	251,820
At 30 April 2019	307,020	-	307,020

12. Debtors

	2020 £	2019 £
Trade debtors	24,999	80,574
Amounts owed by group undertakings	2,451,876	2,451,876
Other debtors	64,894	67,519
Prepayments and accrued income	805,262	774,965
	3,347,031	3,374,934

EQ INVESTORS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2020**

13. Cash and cash equivalents

	2020 £	2019 £
Cash at bank and in hand	732,908	317,133
	<u>732,908</u>	<u>317,133</u>

14. Creditors: Amounts falling due within one year

	2020 £	2019 £
Trade creditors	6,871	15,432
Amounts owed to group undertakings	250,000	250,000
Other taxation and social security	272,529	233,375
Other creditors	24,068	44,543
Accruals and deferred income	833,180	738,184
	<u>1,386,648</u>	<u>1,281,534</u>

15. Share capital

	2020 £	2019 £
Allotted, called up and fully paid		
7,850,001 (2019 - 7,850,001) ordinary shares of £1.00 each	7,850,001	7,850,001
	<u>7,850,001</u>	<u>7,850,001</u>

16. Reserves**Profit and loss account**

The profit and loss account represents accumulated profits and losses of the Company.

17. 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 £369,261 (2019 - £267,413). Contributions totalling £24,088 (2019 - £24,168) were payable to the fund at the balance sheet date and are included in creditors.

EQ INVESTORS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2020

18. Commitments under operating leases

At 30 April 2020 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2020 £	2019 £
Not later than 1 year	338,324	342,304
Later than 1 year and not later than 5 years	1,224,733	1,362,251
Later than 5 years	-	209,761
	<u>1,563,057</u>	<u>1,914,316</u>

19. Related party transactions

The Company has taken advantage of the exemption in Section 33.1A in FRS 102 from the requirement to disclose transactions entered into between group entities on the grounds that the Company is a wholly owned subsidiary and that consolidated financial statements are prepared by the ultimate parent undertaking.

At the period end the Company was owed the following amounts from group companies:
Best Investments Limited £2,451,876 (2019 - £2,451,876)

At the period end the Company owed the following amounts to group companies:
EQ Investors Group Limited - £250,000 (2019 - £250,000)

Both of these entities were members of the same group during the year.

The remuneration of key management personnel was £1,490,465 (2019 - £1,550,239).

20. Controlling party

The ultimate parent undertaking is EQ Investors Group Limited. EQ Investors Group Limited is registered in England and Wales and consolidated financial statements can be obtained from Companies House.

The ultimate controlling party is J D Spiers.