

LEVITAS INVESTMENT MANAGEMENT SERVICES LIMITED

**UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021**

Company number: 07692055

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Company Information

Secretary

The secretary of the Company who was in office during the year and up to the date of signing of the Financial Statements was:

A Richardson

Directors

The Directors of the Company who were in office during the year and up to the date of signing of the Financial Statements were:

A W Shepherd
B L Thorpe (appointed 14 June 2021)

Registered Office

21 Lombard Street, London, EC3V 9AH

Registered Number

07692055

Principal Bankers

The Royal Bank of Scotland plc. 280 Bishopsgate, London, EC2M 4RB

Report of the Directors

The Directors present herewith their Annual Report, together with the unaudited Financial Statements of the Company for the year ended 30 June 2021.

Principal activities

The Company operates as the sponsor of the Levitas A and Levitas B funds, providing support services to the FCA regulated intermediaries who distribute the funds.

Future Developments

The Company will continue to support the expansion of distribution of the Levitas A and Levitas B Funds via FCA regulated intermediaries.

Events since the end of the year

Details of events after the Statement of Financial Position date are set out in note 11 to the Financial Statements on page 10. There have been no material events after the Company's year end.

Results and dividends

The profit for the financial year after taxation was £260,173 (2020: £289,016).

During the year the Company paid interim dividends totalling £800,000 (2020: £1,500,000). No final dividend was declared (2020: £nil).

Directors

The Directors of the Company who were in office during the year and up to the date of signing of the Financial Statements is listed on page 1.

Director's indemnities

The Company has made qualifying third-party indemnity provisions for the benefit of its Directors during the year and these remain in force at the date of the report.

Report of the Directors**Statement of Directors' Responsibilities**

The Directors are responsible for preparing the Annual Report and the Financial Statements in accordance with applicable law and regulation.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have prepared the Financial Statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law). Under company law the Directors must not approve the Financial Statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing the Financial Statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 101, have been followed, subject to any material departures disclosed and explained in the Financial Statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are 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.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the Financial Statements comply with the Companies Act 2006.

On behalf of the Board



B L Thorpe
Director

14 December 2021

**Statement of Comprehensive Income
for the year ended 30 June 2021**

	Note	2021 £	2020 £
Revenue	3	262,741	314,543
Administrative expenses		(2,568)	(25,437)
Operating profit		260,173	289,016
Interest payable and similar charges		-	-
Profit on ordinary activities before taxation		260,173	289,016
Tax expense on ordinary activities	5	-	-
Profit on ordinary activities after taxation		260,173	289,016
Other comprehensive income		-	-
Total comprehensive income		260,173	289,016

The notes on pages 7 to 10 form an integral part of these Financial Statements.

**Statement of Financial Position
for the year ended 30 June 2021**

	Note	30 June 2021		30 June 2020	
		£	£	£	£
Current assets					
Trade and other receivables	6	42,437		61,395	
Cash and cash equivalents		<u>33,866</u>		<u>554,735</u>	
			76,303		616,130
Liabilities					
Current liabilities					
Trade and other payables	7		(2,000)		(2,000)
			<u>74,303</u>		<u>614,130</u>
Net current assets					
			<u>74,303</u>		<u>614,130</u>
Net assets					
			<u>74,303</u>		<u>614,130</u>
Equity					
Called up share capital	8		20,000		20,000
Retained earnings			54,303		594,130
			<u>74,303</u>		<u>614,130</u>
Total equity					
			<u>74,303</u>		<u>614,130</u>

For the year ended 30 June 2021, the Company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

The Directors' Responsibilities confirm that;

- the members have not required the Company to obtain an audit of its Financial Statements for the year in question in accordance with section 476, and;
- the Directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

The Financial Statements on pages 4 to 10 were approved by the Directors on 14 December 2021 and were signed by:



**B L Thorpe
Director**

Company registered number: 07692055

The notes on pages 7 to 10 form an integral part of these Financial Statements.

**Statement of Changes in Equity
for the year ended 30 June 2021**

	Called up share capital £	Retained earnings £	Total equity £
At 1 July 2019	20,000	1,805,114	1,825,114
Profit for the financial year	-	289,016	289,016
Total comprehensive income	-	289,016	289,016
Dividends paid	-	(1,500,000)	(1,500,000)
At 30 June 2020	20,000	594,130	614,130
Profit for the financial year	-	260,173	260,173
Total comprehensive income	-	260,173	260,173
Dividends paid	-	(800,000)	(800,000)
At 30 June 2021	20,000	54,303	74,303

The notes on pages 7 to 10 form an integral part of these Financial Statements.

**Notes to the Financial Statements
for the year ended 30 June 2021****1. General information**

Levitas Investment Management Services Limited ("the Company") is a limited company incorporated and domiciled in United Kingdom. The Company is a subsidiary within Brooks Macdonald Group plc ("the group"). The Financial Statements are presented in Great British Pound Sterling (£), which is the currency of the primary economic environment in which the Company operates and its functional currency.

2. Principal accounting policies

These Financial Statements were prepared in accordance with The Companies Act 2006 as applicable to companies using FRS101. These Financial Statements have been prepared on a going concern basis under the historical cost convention.

The Company has taken advantage of the following available disclosure exemptions under FRS101, paragraphs 5 – 9, in respect of:

- (a) the requirements of IFRS 7 Financial Instruments: Disclosures;
- (b) IFRS 13 Fair Value measurement; and
- (c) Intra-Group – related party transactions.

The exemptions have been applied on the basis that, where required, the equivalent disclosures are included in the consolidated financial statements of the parent company, Brooks Macdonald Group plc in which the Company is included.

Cash flow statement

The Company has taken advantage of the exemption from preparing a cash flow statement under paragraph 8(g) of the disclosure exemptions from IFRS as adopted by the EU for qualifying entities included in FRS101. The ultimate parent company, Brooks Macdonald Group plc, includes a consolidated statement of cash flows within its financial statements for the year ended 30 June 2021.

Judgements and key sources of estimation and uncertainty

The preparation of these Financial Statements requires management to make assumptions, estimates and judgements that effect the amounts reported as assets and liabilities as at the Statement of Financial Position date and the amounts reported as revenues and expenses during the year. Use of available information and the application of judgement are inherent in the formation of estimates. Actual results in the future may differ from those reported. In this regard, management believes that accounting policies where judgement is necessary applied are those that relate to:

a) *Income tax*

Significant judgement is required in determining the provision for income taxes due to uncertainty of the amount of income tax that may be payable, and in respect of determining the level of the future taxable profits of the Company that support the recoverability of the deferred tax asset.

Going concern

These Financial Statements are prepared on the going concern basis, under a historical cost convention as modified by the revaluation of listed investments and in accordance with the Companies Act 2006 and FRS101.

The principal accounting policies of the Company which have been applied consistently throughout the year are set out below:

(a) Revenue

Revenue represents the value, net of value added tax and discounts, of work carried out in respect of services provided to the ACD.

**Notes to the Financial Statements
for the year ended 30 June 2021**

2. Principal accounting policies (continued)

(b) Taxation

Tax on the profit of the year comprises current and deferred tax and is recognised in the Statement of Comprehensive Income. Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustments to tax payable in respect of previous years.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the Statement of Financial Position date, where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the Statement of Financial Position date.

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

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse based on tax rates and laws that have been enacted or substantively enacted by the Statement of Financial Position date. Deferred tax is measured on an undiscounted basis.

(c) Foreign currency

The Financial Statements are presented in Great British Pound Sterling (£), which is the currency of the primary economic environment in which the Company operates and its functional currency.

Monetary assets and liabilities expressed in foreign currencies are translated into sterling at the rate of exchange ruling at the Statement of Financial Position date. Foreign currency transactions are translated at the exchange rate ruling on the date of the transaction.

All differences on exchange are dealt with in the Statement of Comprehensive Income.

(d) Trade and other receivables

Trade receivables are amounts due from customers for services performed in the ordinary course of business. They are generally due for settlement within 30 days and therefore are all classified as current. Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at fair value. The Company holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method.

The Company applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables and contract assets. To measure the expected credit losses, trade receivables and contract assets have been grouped based on shared credit risk characteristics and the days past due. The Company has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets.

The expected loss rates are based on the payment profiles of sales over a period of 24 months and the corresponding historical credit losses experienced within this period.

(e) Accrued income

Revenue is recognised as it is earned in accordance with accounting policy (a) above. Where consideration is receivable after the Statement of Financial Position date, an appropriate accrual is made at the Statement of Financial Position date.

(f) Trade and other payables

Trade and other payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities.

**Notes to the Financial Statements
for the year ended 30 June 2021**

2. Principal accounting policies (continued)

(g) Cash

Cash comprises cash on demand deposits which may be accessed without penalty. Cash equivalents comprise short term highly liquid investments with a maturity of less than three months from the date of acquisition.

(h) Issued share capital

Ordinary share capital is classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax from the proceeds.

Changes in accounting policies

The Company did not adopt any new standards and amendments issued by the International Accounting Standards Board ('IASB') or interpretations issued by the IFRS IC in the year ended 30 June 2021.

3. Revenue

Revenue represents the amounts received in relation to providing support services to the ACD. All revenue is derived in the United Kingdom.

4. Employee information and Directors remuneration

The remuneration of A W Shepherd and B L Thorpe is paid by other entities in the group. Their services to the Company and to a number of fellow subsidiaries are of a non-executive nature and their remuneration is deemed to be wholly attributable to their services to other group companies.

The Company had no employees during the year (2020: none).

5. Taxation

	2021 £	2020 £
The tax charge on the profit on ordinary activities for the year was as follows:		
UK corporation tax at 19.00% (2020: 19.00%)	-	-
Income tax expense on ordinary activities	-	-
<u>Factors affecting charge for the year</u>		
Profit on ordinary activities before tax	260,173	289,016
Profit on ordinary activities multiplied by the standard rate of tax in the UK of 19.00% (2020: 19.00%)	49,433	54,913
Tax effect of:		
- Group relief	(49,433)	58,299
- Expenses not deductible for tax purposes	-	(3,386)
Total current tax charge	-	-

The standard rate of Corporation Tax in the UK changed to 19% with effect from 1 April 2017. Accordingly, the Company's profits for this accounting year are taxed at an effective rate of 19%.

**Notes to the Financial Statements
for the year ended 30 June 2021**

6. Trade and other receivables

	2021	2020
	£	£
Trade receivables	22,435	41,317
Prepayments and accrued income	20,002	20,078
	42,437	61,395

7. Trade and other payables

	2021	2020
	£	£
Accruals and deferred income	2,000	2,000
	2,000	2,000

8. Called up share capital

	2021	2020
	£	£
Allotted, issued and fully paid		
20,000 ordinary shares of £1 each	20,000	20,000

9. Ultimate parent company

The immediate and ultimate parent undertaking and controlling party is Brooks Macdonald Group plc, which is the parent undertaking and smallest and largest group to consolidate these Financial Statements. Copies of the Consolidated Financial Statements can be obtained from the Company Secretary at 21 Lombard Street, London, EC3V 9AH.

10. Related party transactions

Advantage has been taken of the exemption available under paragraph 8(k) of FRS101 not to disclose related party transactions with fellow wholly owned subsidiaries. There were no other related party transactions with entities other than the wholly owned subsidiaries.

11. Events since the end of the year

No material events have occurred between the reporting date and the date of signing these Financial Statements.