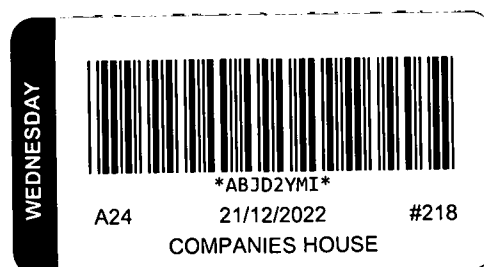


Company registration number 07899035 (England and Wales)

CLARION INVESTMENT MANAGEMENT LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2022



CLARION INVESTMENT MANAGEMENT LIMITED

COMPANY INFORMATION

Directors	R D Walker K W Thompson A W Wareing J G E Winstanley M N Sherratt
Secretary	Hargreaves Mounteney Limited
Company number	07899035
Registered office	Overbank 52 London Road Alderley Edge Cheshire SK9 7DZ
Auditor	Jackson Stephen LLP James House Stonecross Business Park Yew Tree Way Warrington Cheshire WA3 3JD
Business address	Overbank 52 London Road Alderley Edge Cheshire SK9 7DZ
Bankers	National Westminster Bank plc Bolton Customer Service Centre PO Box 2027 Parklands De Havilland Way Horwich Bolton Lancashire BL6 4YU

CLARION INVESTMENT MANAGEMENT LIMITED

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CLARION INVESTMENT MANAGEMENT LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 30 APRIL 2022

The directors present the strategic report for the year ended 30 April 2022.

Fair review of the business

The business continues to endeavour to deliver the best service to clients, providing a premium service proposition, whilst maintaining an efficient business model. Focus remains on increasing our funds under management and refining the propositions, as together these aspects will enable us to achieve growth and efficiency for all.

The financial statements shows the ninth full year trading for the business, with turnover decreasing to £1,266,224 (2021: £1,338,928). The company recorded a profit before tax of £440,031 (2021: loss of £443,229).

Principal risks and uncertainties

Clarion Investment Management Limited is regulated by the Financial Conduct Authority and, whilst we are required to consider risks and uncertainties in relation to the regulation, we feel that these considerations are also good business practices and help us to deliver the service and performance mentioned above. We maintain, review and report on the elements which affect us, some of which (although not exhaustive) relate to regulation, liquidity, and market risk. These and other items are reviewed and monitored through our key policies and procedures.

As part of this process we evaluate and further review the risks and uncertainties relevant to our business, key among these are:

- *Regulatory risk - the risk of changing regulatory requirements or breaches to existing ones.* The business employs external compliance consultants to ensure it stays fully up to date with changes in the regulatory environment. Reviews of client files and advice given are also regularly undertaken.
- *Market risk - the risk of loss as a result of the value of client assets decreasing.* The business ensures that all advisers are appropriately qualified and receive the support they require to deliver high quality long term financial plans.
- *Reputational risk - this is considered to be the risk of loss resulting from damage to the firm's reputation. In order to mitigate this, high professional standards are required of all staff and the business maintains its status as a firm of chartered financial planners.*

The analysis ensures we are able to assess any additional risks the business may encounter, and allow us to deliver the best service for our clients and employees.

Financial key performance indicators

Management information is also very important to the company and, as such, the board monitors relevant information. This includes:

- Net new and total funds under management (increase 9.8%; 2021: increase 14.7%)
- Cash position (increase 92.8%; 2021: decrease 30.6%)
- Operating profit of the business excluding exceptional expenses (decrease 32.2% 2021: increase 12.0%)

Other performance indicators

As part of our core values and processes we also monitor:

- *Client retention and satisfaction - Client numbers have increased slightly during the year, with client approval ratings remaining high.*
- *The quality of our advice and service - The business has maintained its status as a firm of chartered financial planners and supports staff in their continuing professional development. External reviews are also regularly carried out by independent compliance consultants.*
- *That we have a growth and development plan within the business.*

CLARION INVESTMENT MANAGEMENT LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2022

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

The board of directors of Clarion Investment Management Limited considers, both individually and together, that they have acted in the way they consider, in good faith, would be most likely to promote the success of the company for the benefit of its members as a whole (having regard to the stakeholders and matters set out in s172(1)(a)-(f) of the Act) in the decisions taken during the period ended 30 April 2022.

- Our strategy is designed to have a long-term beneficial impact on the company and to contribute to its success.
- Our team members are fundamental to the delivery of our plan. The health, safety and well-being of our team members is one of our primary considerations in the way we do business.
- Engagement with suppliers and customers is key to our success.
- Our strategy takes into account the impact of the company's operations on the community and environment and our wider social responsibilities.
- As the board of directors, our intention is to behave responsibly and ensure that the management operate the business in a responsible manner, operating within the high standards of business conduct and good governance expected for a business such as ours.
- As the board of directors, our intention is to behave responsibly towards our shareholders and treat them fairly and equally, so they may to may benefit from the successful delivery of our strategy.

On behalf of the board



R D Walker
Director

17 August 2022

CLARION INVESTMENT MANAGEMENT LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 APRIL 2022

The directors present their annual report and financial statements for the year ended 30 April 2022.

Results and dividends

The results for the year are set out on page 8.

Interim dividends were paid amounting to £200,000. The directors do not recommend payment of a final dividend.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

R D Walker
K W Thompson
A W Wareing
J G E Winstanley
M N Sherratt

Post reporting date events

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

Future developments

The company is looking to make significant progress in the coming financial year.

Social and corporate responsibility

We are committed to managing our business in a socially responsible manner. The management of environment, employees, health and safety and community issues, in respect of our operations is central to the success of the business. Our commitment to quality, health, education and livelihood opportunities for the communities where we operate has been consistent and progressive.

Auditor

The auditor, Jackson Stephen LLP, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

Energy and carbon report

As the company has not consumed more than 40,000 kWh of energy in this reporting period, it qualifies as a low energy user under these regulations and is not required to report on its emissions, energy consumption or energy efficiency activities.

CLARION INVESTMENT MANAGEMENT LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2022

Statement of directors' responsibilities

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable 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 these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Strategic report

The company has chosen in accordance with Companies Act 2006, s. 414C(11) to set out in the company's strategic report some of the information required by Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, Sch. 7 to be contained in the directors' report. It has done so in respect of principal risks and uncertainties, which include financial risk management.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

On behalf of the board



R D Walker
Director

17 August 2022

CLARION INVESTMENT MANAGEMENT LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF CLARION INVESTMENT MANAGEMENT LIMITED

Opinion

We have audited the financial statements of Clarion Investment Management Limited (the 'company') for the year ended 30 April 2022 which comprise the statement of income and retained earnings, the balance sheet and notes to the financial statements, including 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 2022 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 UK, including the FRC'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 directors' 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 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 directors with respect to going concern are described in the relevant sections of this report.

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.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our 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.

CLARION INVESTMENT MANAGEMENT LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF CLARION INVESTMENT MANAGEMENT LIMITED

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, 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.

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.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the company and sector, we identified that the principal risks of non-compliance with laws and regulations related to, but were not limited to, the Companies Act 2006, UK tax, health and safety legislation and Financial Conduct Authority regulation and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to fraud in revenue recognition.

CLARION INVESTMENT MANAGEMENT LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF CLARION INVESTMENT MANAGEMENT LIMITED

Our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- enquiring of management about actual and potential litigation and claims, their policies and procedures to prevent and detect fraud as well as whether they have knowledge of any actual, suspected or alleged fraud;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings of those charged with governance and reviewing regulatory correspondence with the Financial Conduct Authority;
- obtaining an understanding of provisions and holding discussions with management to understand the basis of recognition or non-recognition of tax provisions; and
- in addressing the risk of fraud through management override of controls: testing the appropriateness of journal entries; assessing whether the accounting estimates, judgements and decisions made by management are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. 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. Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://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, 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.

Jackson Stephen LLP

Peter Atkinson F.C.A. (Senior Statutory Auditor)
For and on behalf of Jackson Stephen LLP

18 August 2022

Chartered Accountants
Statutory Auditor

James House
Stonecross Business Park
Yew Tree Way
Warrington
Cheshire
WA3 3JD

CLARION INVESTMENT MANAGEMENT LIMITED

STATEMENT OF INCOME AND RETAINED EARNINGS

FOR THE YEAR ENDED 30 APRIL 2022

	Notes	2022 £	2021 £
Turnover	3	1,266,224	1,338,928
Administrative expenses		(826,397)	(690,230)
Taxation and duties incurred	4	-	(1,092,303)
Operating profit/(loss)	5	439,827	(443,605)
Interest receivable and similar income	9	204	376
Profit/(loss) before taxation		440,031	(443,229)
Tax on profit/(loss)	10	(85,006)	(127,067)
Profit/(loss) for the financial year		355,025	(570,296)
Retained earnings brought forward		802,177	1,572,473
Dividends	11	(200,000)	(200,000)
Retained earnings carried forward		<u>957,202</u>	<u>802,177</u>

The profit and loss account has been prepared on the basis that all operations are continuing operations.

CLARION INVESTMENT MANAGEMENT LIMITED

BALANCE SHEET

AS AT 30 APRIL 2022

	Notes	2022 £	£	2021 £	£
Fixed assets					
Intangible assets	12		-		-
			<u>-</u>		<u>-</u>
Current assets					
Debtors	13	103,733		116,774	
Cash at bank and in hand		1,731,384		897,854	
		<u>1,835,117</u>		<u>1,014,628</u>	
Creditors: amounts falling due within one year	14	(802,915)		(137,451)	
Net current assets			<u>1,032,202</u>		<u>877,177</u>
Capital and reserves					
Called up share capital	16		75,000		75,000
Profit and loss reserves			<u>957,202</u>		<u>802,177</u>
Total equity			<u>1,032,202</u>		<u>877,177</u>

The financial statements were approved by the board of directors and authorised for issue on 17 August 2022 and are signed on its behalf by:

Ron Walker

R D Walker
Director

Company Registration No. 07899035.

CLARION INVESTMENT MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 APRIL 2022

1 Accounting policies

Company information

Clarion Investment Management Limited is a private company limited by shares incorporated in England and Wales. The registered office and principal place of business is Overbank, 52 London Road, Alderley Edge, Cheshire, SK9 7DZ.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

This company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements:

- Section 4 'Statement of Financial Position' – Reconciliation of the opening and closing number of shares;
- Section 7 'Statement of Cash Flows' – Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues' – Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 33 'Related Party Disclosures' – Compensation for key management personnel.

The financial statements of the company are consolidated in the financial statements of Clarion Group Limited. These consolidated financial statements are available from Companies House, Crown Way, Maindy, Cardiff, CF14 3UZ.

1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for services provided in the period in relation to investment management in the normal course of business, and is shown net of VAT and other sales related taxes. Fees are charged as a percentage of assets held under investment at the end of the month.

1.4 Intangible fixed assets - goodwill

Goodwill represents the excess of the cost of acquisition of unincorporated businesses over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite useful life and is amortised on a systematic basis over its expected life, which is 5 years.

CLARION INVESTMENT MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2022

1 Accounting policies

(Continued)

1.5 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.6 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally 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.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

CLARION INVESTMENT MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2022

1 Accounting policies

(Continued)

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Other financial liabilities

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

1.7 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.8 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

CLARION INVESTMENT MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2022

1 Accounting policies (Continued)

1.9 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.10 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

There are no critical judgements or estimates made by the directors in preparing these financial statements.

3 Turnover and other revenue

	2022	2021
	£	£
Turnover analysed by class of business		
Commission income	1,266,224	1,338,928

	2022	2021
	£	£
Turnover analysed by geographical market		
United Kingdom	1,266,224	1,338,928

	2022	2021
	£	£
Other revenue		
Interest income	204	376

4 Exceptional item

	2022	2021
	£	£
Expenditure		
Tax and duties incurred	-	1,092,303

CLARION INVESTMENT MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2022

(Continued)

4 Exceptional item

In the prior year, the company incurred and settled one off costs in respect of tax and duties.

5 Operating profit/(loss)

	2022	2021
	£	£
Operating profit/(loss) for the year is stated after charging:		
Management charge	19,613	89,699
Operating lease charges	25,148	3,500
	<u> </u>	<u> </u>

6 Auditor's remuneration

	2022	2021
	£	£
Fees payable to the company's auditor and associates:		
For audit services		
Audit of the financial statements of the company	6,900	6,650
	<u> </u>	<u> </u>

7 Employees

Their aggregate remuneration comprised:

	2022	2021
	£	£
Wages and salaries	391,377	317,234
Social security costs	46,512	44,050
Pension costs	18,305	16,992
	<u> </u>	<u> </u>
	456,194	378,276
	<u> </u>	<u> </u>

Staff costs are recharged by Clarion Wealth Planning Limited to the company. All staff are employed by Clarion Wealth Planning Limited.

8 Directors' remuneration

	2022	2021
	£	£
Remuneration for qualifying services	175,474	155,677
Company pension contributions to defined contribution schemes	6,517	5,323
	<u> </u>	<u> </u>
	181,991	161,000
	<u> </u>	<u> </u>

Directors' remuneration costs are recharged by Clarion Wealth Planning Limited to the company. All staff are employed by Clarion Wealth Planning Limited.

CLARION INVESTMENT MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2022

9 Interest receivable and similar income

	2022 £	2021 £
Interest income		
Interest on bank deposits	204	376

10 Taxation

	2022 £	2021 £
Current tax		
UK corporation tax on profits for the current period	85,006	127,101
Adjustments in respect of prior periods	-	(34)
Total current tax	85,006	127,067

The actual charge for the year can be reconciled to the expected charge/(credit) for the year based on the profit or loss and the standard rate of tax as follows:

	2022 £	2021 £
Profit/(loss) before taxation	440,031	(443,229)
Expected tax charge/(credit) based on the standard rate of corporation tax in the UK of 19.00% (2021: 19.00%)	83,606	(84,214)
Tax effect of expenses that are not deductible in determining taxable profit	1,400	211,315
Adjustments in respect of prior years	-	(34)
Taxation charge for the year	85,006	127,067

A UK corporation tax rate of 25% was announced in the Chancellor's Budget of 3 March 2021, along with a temporary extension to the loss carry-back rules allowing up to £2m of tax losses to be carried back to the preceding 3 periods. The 25% rate will apply from 1 April 2023 and the carry-back of losses is expected to apply to year ends 30 April 2021 and 30 April 2022.

11 Dividends

	2022 £	2021 £
Interim paid	200,000	200,000

CLARION INVESTMENT MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2022

12 Intangible fixed assets

	Goodwill £
Cost	
At 1 May 2021 and 30 April 2022	194,408
Amortisation and impairment	
At 1 May 2021 and 30 April 2022	194,408
Carrying amount	
At 30 April 2022	-
At 30 April 2021	-

13 Debtors

	2022 £	2021 £
Amounts falling due within one year:		
Amounts owed by group undertakings	-	19,440
Prepayments and accrued income	103,733	97,334
	<u>103,733</u>	<u>116,774</u>

14 Creditors: amounts falling due within one year

	2022 £	2021 £
Trade creditors	375	600
Amounts owed to group undertakings	706,538	-
Corporation tax	85,025	127,101
Other creditors	827	-
Accruals and deferred income	10,150	9,750
	<u>802,915</u>	<u>137,451</u>

15 Retirement benefit schemes

	2022 £	2021 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	<u>18,305</u>	<u>16,992</u>

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

At the balance sheet date outstanding contributions to the scheme amounted to £nil (2021: £nil).

CLARION INVESTMENT MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2022

16 Share capital

	2022 Number	2021 Number	2022 £	2021 £
Ordinary share capital Issued and fully paid				
Ordinary shares of £1 each	75,000	75,000	75,000	75,000

17 Reserves

Profit and loss account - includes all current and prior period retained profits and losses, net of distributions to shareholders.

18 Related party transactions

Transactions with related parties

Management fees of £14,000 (2021: £14,000) have been charged during the year by a partnership of which a director and his wife are partners.

19 Ultimate controlling party

The immediate and ultimate parent company is Clarion Group Limited, a company registered in England and Wales. It prepares consolidated financial statements, including this company, which can be obtained from Companies House, Crown Way, Maindy, Cardiff, CF14 3UZ.

The ultimate controlling party is R D Walker.