

Company Registration No. 08196422 (England and Wales)

CREATIVE BENEFIT WEALTH MANAGEMENT LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 NOVEMBER 2020

PAGES FOR FILING WITH REGISTRAR

CREATIVE BENEFIT WEALTH MANAGEMENT LIMITED

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CREATIVE BENEFIT WEALTH MANAGEMENT LIMITED

BALANCE SHEET

AS AT 30 NOVEMBER 2020

| | Notes | 2020 £ | £ | 2019 £ | £ |
|---|-------|------------------|----------------|------------------|----------------|
| Current assets | | | | | |
| Debtors | 5 | 619,528 | | 530,311 | |
| Cash at bank and in hand | | 100,466 | | 63,732 | |
| | | <u>719,994</u> | | <u>594,043</u> | |
| Creditors: amounts falling due within one year | 6 | <u>(413,226)</u> | | <u>(430,894)</u> | |
| Net current assets | | | 306,768 | | 163,149 |
| Provisions for liabilities | | | | | |
| Provisions | 7 | <u>43,183</u> | (43,183) | <u>12,418</u> | (12,418) |
| Net assets | | | <u>263,585</u> | | <u>150,731</u> |
| Capital and reserves | | | | | |
| Called up share capital | 8 | | 19,998 | | 19,998 |
| Profit and loss reserves | | | <u>243,587</u> | | <u>130,733</u> |
| Total equity | | | <u>263,585</u> | | <u>150,731</u> |

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the board of directors and authorised for issue on 10 May 2021 and are signed on its behalf by:

C G Harrison
Director

S A Webber
Director

Company Registration No. 08196422

CREATIVE BENEFIT WEALTH MANAGEMENT LIMITED

BALANCE SHEET (CONTINUED)

AS AT 30 NOVEMBER 2020

1 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.

2 Accounting policies

Company information

Creative Benefit Wealth Management Limited is a private company limited by shares incorporated in England and Wales. The registered office is Cannon Place, 78 Cannon Street, London, England, EC4N 6AF.

2.1 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.

The Company has also taken advantage of the exemption from preparing a cash flow statement.

Creative Benefit Wealth Management Limited is a subsidiary under the majority control of Creative Benefit Solutions Limited and the results of Creative Benefit Wealth Management Limited are included in the consolidated financial statements of Creative Benefit Solutions Limited which are available from Cannon Place, 78 Cannon Street, London, England, EC4N 6AF.

CREATIVE BENEFIT WEALTH MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 NOVEMBER 2020

2 Accounting policies

(Continued)

2.2 Going concern

These financial statements are prepared on the going concern basis. The directors have a reasonable expectation that the company will continue in operational existence for the foreseeable future.

The company operated at a profit for the year of £112,854 (2019: £64,087). At the year end net current assets amounted to £306,768 (2019: £163,149) and net assets amounted to £263,585 (2019: £150,731).

The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. The directors have prepared cash flow and profit forecasts which show that the company can meet its financial obligations as they fall due. Thus the directors continue to adopt the going concern basis of accounting in preparing the annual financial statements.

In the annual review of the Company's going concern, the Directors have considered the immediate and longer term impact of the Covid-19 pandemic for the group. The directors have taken action to reduce the overhead cost base of the business where appropriate and also safeguard cashflow by utilising government support initiatives such as the furlough scheme. After a careful review of the business forecasts, making prudent assumptions for new client business, the impact to existing business and the direct costs associated with this, the directors are satisfied that the cashflow forecasts support that there is no material uncertainty in relation to the going concern position of the business. The Directors are committed to carrying out regular reviews of the Company's cash flows to monitor the ongoing situation and take further steps as required.

2.3 Turnover

Turnover represents adviser-charges and fees receivable from third party providers and fees for consultancy services.

Fees are recognised as follows:

- Fees and adviser-charges are recognised on the completion of the relevant documentation to effect the completion of the transaction.
- Renewal fees are recognised when receivable.

Adviser charges are stated net of a provision for clawback. The provision for clawback is made appropriate to the type of policy written.

Consultancy services income is recognised on a percentage completion basis over the course of the contract.

2.4 Cash at bank and in hand

Cash and cash equivalents are basic financial assets and includes cash in hand and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

2.5 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.

CREATIVE BENEFIT WEALTH MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2020

2 Accounting policies

(Continued)

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.

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.

2.6 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.

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognised in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

2.7 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.

CREATIVE BENEFIT WEALTH MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2020

2 Accounting policies

(Continued)

2.8 Provisions

Provisions are recognised when the company has a legal or constructive present obligation as a result of a past event, it is probable that the company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation. Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value. When a provision is measured at present value, the unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

2.9 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.

2.10 Retirement benefits

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

2.11 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

2.12 Pensions

The company operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the profit and loss account in the period they are payable.

3 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

| 2020 Number | 2019 Number |
|----------------|----------------|
| 17 | 19 |
| <u>17</u> | <u>19</u> |

CREATIVE BENEFIT WEALTH MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2020

| | | | |
|----------|--|--------------------|------------------|
| 3 | Employees | (Continued) | |
| | Their aggregate remuneration comprised: | | |
| | | 2020 | 2019 |
| | | £ | £ |
| | Wages and salaries | 1,026,901 | 959,370 |
| | Social security costs | 69,900 | 72,371 |
| | Pension costs | 57,001 | 60,811 |
| | | <u>1,153,802</u> | <u>1,092,552</u> |
| 4 | Operating profit | 2020 | 2019 |
| | | £ | £ |
| | Operating profit for the year is stated after (crediting): | | |
| | Government grants | (8,030) | - |
| | | <u>(8,030)</u> | <u>-</u> |
| 5 | Debtors | 2020 | 2019 |
| | | £ | £ |
| | Amounts falling due within one year: | | |
| | Trade debtors | 600,070 | 512,479 |
| | Prepayments and accrued income | 19,458 | 17,832 |
| | | <u>619,528</u> | <u>530,311</u> |
| 6 | Creditors: amounts falling due within one year | 2020 | 2019 |
| | | £ | £ |
| | Trade creditors | 42,124 | 58,378 |
| | Amounts owed to group undertakings | 239,737 | 162,450 |
| | Corporation tax | - | 15,581 |
| | Other creditors | 26,797 | 135,138 |
| | Accruals and deferred income | 104,568 | 59,347 |
| | | <u>413,226</u> | <u>430,894</u> |
| 7 | Provisions for liabilities | 2020 | 2019 |
| | | £ | £ |
| | Clawback provision | 43,183 | 12,418 |
| | | <u>43,183</u> | <u>12,418</u> |

CREATIVE BENEFIT WEALTH MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2020

7 Provisions for liabilities (Continued)

Movements on provisions:

| | Clawback provision £ |
|-----------------------------------|----------------------------|
| At 1 December 2019 | 12,418 |
| Additional provisions in the year | 30,765 |
| At 30 November 2020 | 43,183 |

8 Share capital

| | 2020 £ | 2019 £ |
|-------------------------------------|-----------|-----------|
| Issued and fully paid | | |
| 19,998 A Ordinary shares of £1 each | 19,998 | 19,998 |
| | 19,998 | 19,998 |

9 Audit report information

As the income statement has been omitted from the filing copy of the financial statements, the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

The senior statutory auditor was Philip Woodgate.

The auditor was Goodman Jones LLP.

CREATIVE BENEFIT WEALTH MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2020

10 Related party transactions

During the year, Creative Benefit Solutions Limited funded expenditure on behalf of Creative Benefit Wealth Management Limited totalling £1,815,702 (2019: £1,829,100) and repayments totalling £1,738,415 (2019: £1,689,233) were made. At the balance sheet date, the company owed £239,737 (2019: £162,450) to Creative Benefit Solutions Limited. Creative Benefit Solutions Limited is a related party by virtue of its shareholding in the company.

During the year, Creative Benefit Wealth Management Limited funded expenditure on behalf of Creative Auto-Enrolment Limited totalling £3,001 (2019: £46,572) and repayments totalling £5,746 (2019: £218) were made. At the balance sheet date, the company owed £1,349 (2019: £4,095) to Creative Auto-Enrolment Limited. Creative Auto-Enrolment Limited is a related party by virtue of common ownership of Creative Benefit Solutions Limited.

One of the directors, D.W. Johnstone, is also a director of Chambers Townsend Consultancy Limited (CTC) and a shareholder of Chambers Townsend Holdings Limited, its parent company. During the year CTC invoiced Creative Benefit Wealth Management Limited £720 (2019: £43,666); at the year end, the balance outstanding was £nil (2019 : £720).

11 Control

The company is under the control of Creative Benefit Solutions Limited. There is no single, ultimate controlling party.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.