

Bowmore Asset Management Limited

Annual Report and Financial Statements
for the Year Ended 30 June 2022

Bowmore Asset Management Limited

Contents

Company Information	<u>1</u>
Strategic Report	<u>2</u> to <u>4</u>
Directors' Report	<u>5</u>
Statement of Directors' Responsibilities	<u>6</u>
Independent Auditor's Report	<u>7</u> to <u>9</u>
Profit and Loss Account	<u>10</u>
Statement of Comprehensive Income	<u>11</u>
Balance Sheet	<u>12</u>
Statement of Changes in Equity	<u>13</u>
Statement of Cash Flows	<u>14</u>
Notes to the Financial Statements	<u>15</u> to <u>23</u>

Bowmore Asset Management Limited

Company Information

Directors	Mr M W Incedon Ms G Millen Mr O J Webster-Smith Mr C T Incedon
Registered office	Suite 5, Farleigh House Farleigh Court Old Weston Road Flax Bourton Bristol BS48 1UR
Accountants	Newsham Hanson Accountants Limited Accountant & Business Advisors Edinburgh House 1-5 Bellevue Road Clevedon North Somerset BS21 7NP
Auditors	P.W John & Co Chartered Certified Accountants Pareto Analysis Limited Parkview 23 Wadham Street Weston-super-Mare Somerset BS23 1JZ

Bowmore Asset Management Limited

Strategic Report for the Year Ended 30 June 2022

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

Principal activity

The principal activity of the company is that of investment portfolio management.

Fair review of the business

The last twelve months have remained extremely challenging having circumnavigated Brexit and the Covid pandemic only to be faced with Russia's invasion of Ukraine, soaring energy prices and massive inflationary pressure. We have been delighted with the way our investment management team have navigated their way to minimising any downside on our clients' investment portfolios when markets have shown a high degree of volatility.

Despite all this negativity, Bowmore Asset Management has continued to expand its operations as evidenced by Private Asset Managers (PAM) ranking us as the number one fastest growing discretionary fund manager over the last five years both in terms of funds under management growth and number of clients joining us. We continue to invest heavily in both technology and human resource with the aim of delivering a very personalised service based on good old fashioned family values.

Our team of highly qualified individuals are totally committed to our business strategy and our desire to remain independent in the very best interests of our clients. We remain extremely confident about the future of our business and remain totally focused on meeting our clients' needs.

The company's key financial and other performance indicators during the year were as follows:

Financial KPIs	Unit	2022	2021
Gross Profit	£	1,190,666	705,221
Gross Profit %	%	78	75

In a company this size the director considers there are collective numerous non-financial performance indicators but none individually are key.

Bowmore Asset Management Limited

Strategic Report for the Year Ended 30 June 2022

Principal risks and uncertainties

The risks facing us moving forward are numerous and we are conscious of our relative size compared to many of our peer group and this is exactly the reason for our continued expansion. However, we want to continue to portray a feeling that we remain a family orientated business with old fashioned family values. We place our clients at the centre of everything we do and nothing that we plan to achieve as a business will have a detrimental impact on the service we provide to our clients.

The board is responsible for determining the level of risk acceptable to the company. This is subject to a regular review. The company seeks to mitigate its risks through the application of strict limits and controls and a monitoring process at operational level. Where it is appropriate and cost effective risks are passed to insurers.

Credit Risk

Credit risk is the risk that counterparties will not be able to meet their obligations as they fall due. There are regular credit reviews of counterparty limits to ensure debtors remain at a reasonable level. Credit reviews are undertaken before new counterparties are accepted.

Operational Risks

Operational risk is caused by failures in business processes or the systems or physical infrastructure that support them that have the potential to result in financial loss or reputation damage. This includes errors, omissions, systems failure, lack of resources or physical assets and deliberate acts such as fraud. The regulated environment in which the company operates, imposes extensive reporting requirements and continuing self assessment and appraisal. The company seeks to continually improve its operating efficiencies and standards.

Liquidity Risk

The company ensures that liquidity risk is maintained by monitoring cash balances daily to ensure it retains flexibility in the management of cash flows.

Market Risk

The company is affected by changes in market performance, as income of the company is derived from both performance and management fees arising from various funds under management.

Future Developments

2020 marked a significant year for the business. Aside from the Covid pandemic, we had reorganised and rebranded the group business, with the aim of then building and expanding the investment proposition, aiming to build via further marketing and business development in order to firmly establish Bowmore Asset Management on the investment management map.

The Board were delighted to finally secure the appointment of Jonathan Webster-Smith, as both director and shareholder within the group. Jonathan has taken on the role of Chief Investment Officer, bringing over 20 years' experience in fund management, especially the development of Managed Portfolio Services, with him.

With Jonathan joining in May 2021, this also coincided with the appointment of Charles Incedon to the Bowmore Asset Management board as Client Service Director.

Although our sister company, Bowmore Financial Planning will continue to act as our primary distribution channel, we are also looking to widen the reach of Bowmore Asset Management by distributing through other third-party advisers. We are planning to recruit a number of business development executives over the next few months as well as replicating our Managed Portfolio Services onto a wider range of platforms.

We believe that with the above, alongside further growth and acquisition by Bowmore Financial Planning, Bowmore should add a further £100m in Funds Under Management over the course of the next financial year and will retain its position as one of the fastest growing Discretionary Fund Managers in the UK.

Bowmore Asset Management Limited

Strategic Report for the Year Ended 30 June 2022

Approved and authorised by the Board on 13 October 2022 and signed on its behalf by:

.....

Mr M W Incedon

Director

Bowmore Asset Management Limited

Directors' Report for the Year Ended 30 June 2022

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

Directors of the company

The directors who held office during the year were as follows:

Mr M W Incledon

Ms G Millen

Mr O J Webster-Smith

Mr C T Incledon

Disclosure of information to the auditors

Each director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information. The directors confirm that there is no relevant information that they know of and of which they know the auditors are unaware.

Reappointment of auditors

The auditors P.W John & Co are deemed to be reappointed under section 487(2) of the Companies Act 2006.

Approved and authorised by the Board on 13 October 2022 and signed on its behalf by:

.....

Mr M W Incledon

Director

Bowmore Asset Management Limited

Statement of Directors' Responsibilities

The directors acknowledge their responsibilities 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 apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; 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 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.

Bowmore Asset Management Limited

Independent Auditor's Report to the Members of Bowmore Asset Management Limited

Opinion

We have audited the financial statements of Bowmore Asset Management Limited (the 'company') for the year ended 30 June 2022, which comprise the Profit and Loss Account, Statement of Comprehensive Income, Balance Sheet, Statement of Changes in Equity, Statement of Cash Flows, and Notes to the Financial Statements, 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 June 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 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.

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.

Matters on which we are required to report by exception

In the light of our 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 and the Directors' Report.

We have nothing to report in respect of the following matters where 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.

Bowmore Asset Management Limited

Independent Auditor's Report to the Members of Bowmore Asset Management Limited

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the director's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the original financial statements were 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.

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities [set out on page 6], 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.

Opinion on other matter 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 Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and Directors' Report have been prepared in accordance with applicable legal requirements.

Auditor 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:

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management. Our approach was as follows:

Bowmore Asset Management Limited

Independent Auditor's Report to the Members of Bowmore Asset Management Limited

We obtained an understanding of the legal and regulatory frameworks that are applicable to the Company and determined that the most significant are those that relate to the reporting framework (FRS102 and the

- Companies Act 2006) and the relevant direct and indirect tax compliance regulation in the United Kingdom. In addition, the Company has to comply with laws and regulations relating to health and safety, employment, data protection and anti-bribery and corruption.

We understood how the Company is complying with those frameworks by making enquiries of management

- to understand how the Company maintains and communicates its policies and procedures in these areas and corroborated this by reviewing supporting documentation.

We assessed the susceptibility of the Company's financial statements to material misstatement, including

- how fraud might occur by considering the risk of management override and by assuming revenue to be a fraud risk.
- Based on this understanding we designed our audit procedures to identify noncompliance with such laws and regulations. Our procedures involved testing journals identified by specific risk criteria.

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

Other 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.

.....
Paul William John (Senior Statutory Auditor)

For and on behalf of P.W John & Co, Statutory Auditor

Pareto Analysis Limited

Parkview

23 Wadham Street

Weston-super-Mare

Somerset

BS23 1JZ

13 October 2022

Bowmore Asset Management Limited

Profit and Loss Account for the Year Ended 30 June 2022

	Note	2022 £	2021 £
Turnover	<u>3</u>	1,522,827	936,058
Cost of sales		<u>(332,161)</u>	<u>(230,837)</u>
Gross profit		1,190,666	705,221
Administrative expenses		(1,130,763)	(496,886)
Other operating income	<u>4</u>	<u>706</u>	<u>-</u>
Operating profit	<u>5</u>	60,609	208,335
Interest payable and similar expenses	<u>6</u>	<u>(11,313)</u>	<u>-</u>
Profit before tax		49,296	208,335
Tax on profit	<u>10</u>	<u>(9,202)</u>	<u>(39,501)</u>
Profit for the financial year		<u><u>40,094</u></u>	<u><u>168,834</u></u>

The above results were derived from continuing operations.

The company has no recognised gains or losses for the year other than the results above.

Bowmore Asset Management Limited

Statement of Comprehensive Income for the Year Ended 30 June 2022

	2022	2021
	£	£
Profit for the year	<u>40,094</u>	<u>168,834</u>
Total comprehensive income for the year	<u><u>40,094</u></u>	<u><u>168,834</u></u>

Bowmore Asset Management Limited**(Registration number: 09051799)****Balance Sheet as at 30 June 2022**

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	<u>12</u>	8,341	5,245
Current assets			
Debtors	<u>13</u>	1,319,351	660,266
Cash at bank and in hand		<u>582,513</u>	<u>802,554</u>
		1,901,864	1,462,820
Creditors: Amounts falling due within one year	<u>15</u>	<u>(1,016,114)</u>	<u>(520,464)</u>
Net current assets		<u>885,750</u>	<u>942,356</u>
Total assets less current liabilities		894,091	947,601
Creditors: Amounts falling due after more than one year	<u>15</u>	<u>(156,396)</u>	<u>(250,000)</u>
Net assets		<u><u>737,695</u></u>	<u><u>697,601</u></u>
Capital and reserves			
Called up share capital		5	5
Share premium reserve	<u>18</u>	399,996	399,996
Retained earnings	<u>18</u>	<u>337,694</u>	<u>297,600</u>
Shareholders' funds		<u><u>737,695</u></u>	<u><u>697,601</u></u>

Approved and authorised by the Board on 13 October 2022 and signed on its behalf by:

.....
Mr M W Incedon
Director

Bowmore Asset Management Limited

Statement of Changes in Equity for the Year Ended 30 June 2022

	Share capital £	Share premium £	Retained earnings £	Total £
At 1 July 2021	5	399,996	297,600	697,601
Profit for the year	-	-	40,094	40,094
At 30 June 2022	5	399,996	337,694	737,695
	Share capital £	Share premium £	Retained earnings £	Total £
At 1 October 2020	5	399,996	128,766	528,767
Profit for the year	-	-	168,834	168,834
At 30 June 2021	5	399,996	297,600	697,601

Bowmore Asset Management Limited

Statement of Cash Flows for the Year Ended 30 June 2022

	Note	2022 £	2021 £
Cash flows from operating activities			
Profit for the year		40,094	168,834
Adjustments to cash flows from non-cash items			
Depreciation and amortisation	<u>5</u>	6,618	2,380
Finance costs	<u>6</u>	11,313	-
Income tax expense	<u>10</u>	9,202	39,501
		67,227	210,715
Working capital adjustments			
Increase in trade debtors	<u>13</u>	(659,085)	(47,499)
Increase in trade creditors	<u>15</u>	479,147	244,107
Cash generated from operations		(112,711)	407,323
Income taxes paid	<u>10</u>	(39,501)	(37,536)
Net cash flow from operating activities		(152,212)	369,787
Cash flows from investing activities			
Acquisitions of tangible assets		(9,714)	(3,426)
Cash flows from financing activities			
Interest paid	<u>6</u>	(11,313)	-
Proceeds from bank borrowing draw downs		(46,802)	-
Net cash flows from financing activities		(58,115)	-
Net (decrease)/increase in cash and cash equivalents		(220,041)	366,361
Cash and cash equivalents at 1 July		802,554	436,193
Cash and cash equivalents at 30 June		<u>582,513</u>	<u>802,554</u>

Bowmore Asset Management Limited

Notes to the Financial Statements for the Year Ended 30 June 2022

1 General information

The company is a private company limited by share capital, incorporated in England and Wales.

The address of its registered office is:

Suite 5, Farleigh House
Farleigh Court
Old Weston Road
Flax Bourton
Bristol
BS48 1UR

These financial statements were authorised for issue by the Board on 13 October 2022.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

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

Statement of compliance

These financial statements were prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland and the Companies Act 2006'.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts.

The company recognises revenue when:

The amount of revenue can be reliably measured;
it is probable that future economic benefits will flow to the entity;
and specific criteria have been met for each of the company's activities.

Tax

The tax expense for the period comprises current tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates taxable income.

Tangible assets

Tangible assets are stated in the balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Bowmore Asset Management Limited

Notes to the Financial Statements for the Year Ended 30 June 2022

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Fixtures and fittings	33% straight line
Office equipment	33% straight line

Amortisation

Amortisation is provided on intangible assets so as to write off the cost, less any estimated residual value, over their useful life as follows:

Asset class	Amortisation method and rate
Development costs	33% straight line

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business. Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

Trade creditors

Trade creditors 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 the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the profit and loss account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Bowmore Asset Management Limited

Notes to the Financial Statements for the Year Ended 30 June 2022

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

3 Turnover

The analysis of the company's turnover for the year from continuing operations is as follows:

	2022	2021
	£	£
Sale of goods	<u>1,522,827</u>	<u>936,058</u>

4 Other operating income

The analysis of the company's other operating income for the year is as follows:

	2022	2021
	£	£
Miscellaneous other operating income	<u>706</u>	<u>-</u>

5 Operating profit

Arrived at after charging/(crediting)

	2022	2021
	£	£
Depreciation expense	<u>6,618</u>	<u>2,380</u>

6 Interest payable and similar expenses

	2022	2021
	£	£
Interest on bank overdrafts and borrowings	<u>11,313</u>	<u>-</u>

7 Staff costs

The aggregate payroll costs (including directors' remuneration) were as follows:

Bowmore Asset Management Limited

Notes to the Financial Statements for the Year Ended 30 June 2022

	2022	2021
	£	£
Wages and salaries	557,910	156,625
Social security costs	58,997	14,625
Other short-term employee benefits	17,918	1,169
Pension costs, defined contribution scheme	44,742	39,274
Other employee expense	52,964	30,692
	<u>732,531</u>	<u>242,385</u>

The average number of persons employed by the company (including directors) during the year, analysed by category was as follows:

	2022	2021
	No.	No.
Administration and support	7	3
	<u>7</u>	<u>3</u>

8 Directors' remuneration

The directors' remuneration for the year was as follows:

	2022	2021
	£	£
Remuneration	314,068	78,125
Contributions paid to money purchase schemes	33,445	-
	<u>347,513</u>	<u>78,125</u>

9 Auditors' remuneration

	2022	2021
	£	£
Audit of the financial statements	<u>4,030</u>	<u>3,000</u>

Bowmore Asset Management Limited

Notes to the Financial Statements for the Year Ended 30 June 2022

10 Taxation

Tax charged/(credited) in the profit and loss account

	2022	2021
	£	£
Current taxation		
UK corporation tax	<u>9,202</u>	<u>39,501</u>

The tax on profit before tax for the year is the same as the standard rate of corporation tax in the UK (2021 - the same as the standard rate of corporation tax in the UK) of 19% (2021 - 19%).

The differences are reconciled below:

	2022	2021
	£	£
Profit before tax	<u>49,296</u>	<u>208,335</u>
Corporation tax at standard rate	9,366	39,584
Effect of expense not deductible in determining taxable profit (tax loss)	978	116
Tax decrease from effect of capital allowances and depreciation	<u>(1,142)</u>	<u>(199)</u>
Total tax charge	<u>9,202</u>	<u>39,501</u>

Bowmore Asset Management Limited

Notes to the Financial Statements for the Year Ended 30 June 2022

11 Intangible assets

	Internally generated software development costs £	Total £
Cost or valuation		
At 1 July 2021	5,600	5,600
At 30 June 2022	5,600	5,600
Amortisation		
At 1 July 2021	5,600	5,600
At 30 June 2022	5,600	5,600
Carrying amount		
At 30 June 2022	-	-

12 Tangible assets

	Fixtures and fittings £	Office equipment £	Total £
Cost or valuation			
At 1 July 2021	3,760	12,095	15,855
Additions	-	9,714	9,714
At 30 June 2022	3,760	21,809	25,569
Depreciation			
At 1 July 2021	3,027	7,583	10,610
Charge for the year	733	5,885	6,618
At 30 June 2022	3,760	13,468	17,228
Carrying amount			
At 30 June 2022	-	8,341	8,341
At 30 June 2021	733	4,512	5,245

Bowmore Asset Management Limited

Notes to the Financial Statements for the Year Ended 30 June 2022

13 debtors

	2022	2021
	£	£
Current		
Trade debtors	415,180	361,457
Other debtors	840,577	268,240
Prepayments	63,594	30,569
	<u>1,319,351</u>	<u>660,266</u>

14 Cash and cash equivalents

	2022	2021
	£	£
Cash at bank	<u>582,513</u>	<u>802,554</u>

15 Creditors

		2022	2021
	Note	£	£
Due within one year			
Loans and borrowings	<u>19</u>	46,802	-
trade creditors		132,484	92,331
Social security and other taxes		139,555	130,490
Outstanding defined contribution pension costs		2,892	1,484
Other payables		605,036	243,278
Accruals		80,143	13,380
Income tax liability	<u>10</u>	9,202	39,501
		<u>1,016,114</u>	<u>520,464</u>
Due after one year			
Loans and borrowings	<u>19</u>	<u>156,396</u>	<u>250,000</u>

16 Pension and other schemes

Defined contribution pension scheme

The company operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the company to the scheme and amounted to £44,742 (2021 - £39,274).

Contributions totalling £2,892 (2021 - £1,484) were payable to the scheme at the end of the year and are included in creditors.

Bowmore Asset Management Limited

Notes to the Financial Statements for the Year Ended 30 June 2022

17 Share capital

Allotted, called up and fully paid shares

	2022		2021	
	No.	£	No.	£
Ordinary A share of £0.01 each	25	-	25	-
Ordinary B share of £0.01 each	25	-	25	-
Ordinary C share of £0.01 each	50	1	50	1
Ordinary D share of £0.01 each	300	3	300	3
Ordinary E share of £0.01 each	100	1	100	1
	<u>500</u>	<u>5</u>	<u>500</u>	<u>5</u>

18 Reserves

Share premium

Share premium account contains the premium arising on issue of equity shares, in excess of their nominal value, net of issue of expenses.

19 Loans and borrowings

	2022	2021
	£	£
Non-current loans and borrowings		
Bank borrowings	<u>156,396</u>	<u>250,000</u>
	2022	2021
	£	£
Current loans and borrowings		
Bank borrowings	<u>46,802</u>	<u>-</u>

20 Commitments

Other financial commitments

Property lease

The total amount of other financial commitments not provided in the financial statements was £38,000 (2021 - £109,440).

21 Control

The company is controlled by its Parent company, Bowmore Wealth Group Limited, which owns 100% of the called up share capital.

Bowmore Asset Management Limited

Notes to the Financial Statements for the Year Ended 30 June 2022

22 Related party transactions

Summary of transactions with other related parties

M Incledon

G Millen

O Webster-Smith

Directors and shareholders of the company

Bowmore Financial Planning Limited

M Incledon and G Millen are directors of the company and Bowmore Financial Planning Limited.

Management charges of £120,000 (2021 - £90,000) were paid to Bowmore Financial Planning Limited during the year.

The amount due from Bowmore Financial Planning Limited at the balance sheet date is £822,337 (2021 - £250,000). No interest is payable on the outstanding balance.

Bowmore Wealth Group Limited

M Incledon, G Millen & O Webster-Smith are directors of the company Bowmore Wealth Group Limited.

The amount due to Bowmore Wealth Group Limited at the balance sheet date is £243,278 (2021 - £243,278) No interest is payable on the outstanding balance.

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.