

Company Registration No. SC181744 (Scotland)

FOCUS FINANCIAL MANAGEMENT (SCOTLAND) LIMITED

UNAUDITED FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 JANUARY 2020

PAGES FOR FILING WITH REGISTRAR

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FOCUS FINANCIAL MANAGEMENT (SCOTLAND) LIMITED

BALANCE SHEET

AS AT 31 JANUARY 2020

	Notes	2020 £	£	2018 £	£
Fixed assets					
Intangible assets	3		65,293		165,171
Tangible assets	4		8,999		11,572
			<u>74,292</u>		<u>176,743</u>
Current assets					
Debtors	5	426,129		15,717	
Cash at bank and in hand		19,568		306,682	
		<u>445,697</u>		<u>322,399</u>	
Creditors: amounts falling due within one year	6	(68,614)		(90,540)	
Net current assets			<u>377,083</u>		<u>231,859</u>
Total assets less current liabilities			<u>451,375</u>		<u>408,602</u>
Provisions for liabilities			<u>(3,928)</u>		<u>(2,083)</u>
Net assets			<u><u>447,447</u></u>		<u><u>406,519</u></u>
Capital and reserves					
Called up share capital	7		500		500
Share premium account			24,500		24,500
Profit and loss reserves			<u>422,447</u>		<u>381,519</u>
Total equity			<u><u>447,447</u></u>		<u><u>406,519</u></u>

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

For the financial period ended 31 January 2020 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the period in question in accordance with section 476.

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

FOCUS FINANCIAL MANAGEMENT (SCOTLAND) LIMITED

BALANCE SHEET (CONTINUED)

AS AT 31 JANUARY 2020

The financial statements were approved by the board of directors and authorised for issue on 17 November 2020 and are signed on its behalf by:

A G Manson
Director

Company Registration No. SC181744

FOCUS FINANCIAL MANAGEMENT (SCOTLAND) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 JANUARY 2020

1 Accounting policies

Company information

Focus Financial Management (Scotland) Limited is a private company limited by shares incorporated in Scotland. The registered office is Gresham Chambers, 3rd Floor, 45 West Nile Street, Glasgow, G1 2PT.

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 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

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, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

The parent company is Intelligent Capital Holdings Limited, a company registered in Scotland with their registered office being Gresham Chambers 3rd Floor, 45 West Nile Street, Glasgow, G1 2PT.

1.2 Going concern

At the time of approving the financial statements, the directors are confident 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.

In their assessment of going concern, the directors have considered the implications of the Covid-19 pandemic. They believe it does not have a material impact on the company's going concern status.

1.3 Reporting period

On 23 July 2019 the company extended its accounting period from 31 December 2019 to 31 January 2020 to align with that of the rest of the group. As a result the current period profit and loss account represents a 13 month period and is not directly comparable to the prior period.

1.4 Turnover

Turnover represents commission and fees earned.

1.5 Intangible fixed assets - goodwill

Intangible assets are measured at cost less any accumulated amortisation and impairment losses. Goodwill represents the amount paid in connection with the acquisition of a business in 2015. It is currently being amortised evenly over its expected useful life of 10 years

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Plant and equipment	33% reducing balance
Fixtures and fittings	15% reducing balance

FOCUS FINANCIAL MANAGEMENT (SCOTLAND) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 JANUARY 2020

1 Accounting policies

(Continued)

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

The carrying value of tangible fixed assets are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

1.7 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.

1.8 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.

Debtors

Debtors with no stated interest rate and payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in profit or loss.

Creditors

Creditors with no stated interest rate and payable within one year are recorded at transaction price.

1.9 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.

1.10 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.

FOCUS FINANCIAL MANAGEMENT (SCOTLAND) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 JANUARY 2020

1 Accounting policies

(Continued)

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.11 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.

1.12 Retirement benefits

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

1.13 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

2 Employees

The average monthly number of persons (including directors) employed by the company during the period was 2 (2018 - 7).

FOCUS FINANCIAL MANAGEMENT (SCOTLAND) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 JANUARY 2020

3	Intangible fixed assets		
			Goodwill
			£
	Cost		
	At 1 January 2019		364,560
	Disposals		(134,363)
	At 31 January 2020		230,197
	Amortisation and impairment		
	At 1 January 2019		199,389
	Amortisation charged for the period		26,586
	Disposals		(61,071)
	At 31 January 2020		164,904
	Carrying amount		
	At 31 January 2020		65,293
	At 31 December 2018		165,171
4	Tangible fixed assets		
			Plant and machinery etc
			£
	Cost		
	At 1 January 2019 and 31 January 2020		54,402
	Depreciation and impairment		
	At 1 January 2019		42,830
	Depreciation charged in the period		2,573
	At 31 January 2020		45,403
	Carrying amount		
	At 31 January 2020		8,999
	At 31 December 2018		11,572
5	Debtors		
		2020	2018
	Amounts falling due within one year:	£	£
	Amounts owed by group undertakings	295,640	-
	Other debtors	130,489	15,717
		426,129	15,717

FOCUS FINANCIAL MANAGEMENT (SCOTLAND) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 JANUARY 2020

6 Creditors: amounts falling due within one year

	2020	2018
	£	£
Corporation tax	58,432	20,966
Other taxation and social security	-	2,398
Other creditors	10,182	67,176
	<u>68,614</u>	<u>90,540</u>

7 Called up share capital

	2020	2018
	£	£
Ordinary share capital		
Issued and fully paid		
500 Ordinary shares of £1 each	<u>500</u>	<u>500</u>

8 Financial commitments, guarantees and contingent liabilities

The company is party to a cross corporate guarantee between Intelligent Capital Holdings Limited, Intelligent Capital Group Limited, Intelligent Capital Limited and Intelligent Portfolios Limited. The guarantees and securities are against the sums drawn down, lent or otherwise utilised under the terms of the credit facilities offered to Intelligent Capital Ltd, or any of the above companies, by Clydesdale Bank PLC.

9 Events after the reporting date

During the period post year end as a result of the outbreak of Covid-19 there is an unprecedented level of uncertainty across the world. Despite this the directors do not believe these events will have a material impact on the financial statements of the company. The directors have also considered the potential implications on going concern and, despite any potential Covid-19 implications arising, do not believe these will have a material impact on the going concern status of the company.

10 Related party transactions

The directors are of the opinion that all related party transactions are conducted under normal market conditions and on an arm's length basis and therefore do not need to be disclosed under FRS 102 section 1A appendix C.

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.