

**FW CAPITAL LIMITED**

**Annual Report and Financial Statements**

**For the year ended 31 March 2022**



**ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31  
MARCH 2022**

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**OFFICERS AND PROFESSIONAL ADVISERS**

**DIRECTORS**

D Staziker  
G Guest  
G Thorley  
J Whitfield  
M Owen

**COMPANY SECRETARY**

J Oates

**REGISTERED OFFICE**

Unit J  
Yale Business Village  
Ellice Way  
Wrexham  
LL13 7YL

**BANKERS**

Barclays Bank Plc  
PO Box 69  
Queen Street  
Cardiff  
CF10 1SG

**AUDITOR**

Mazars LLP  
Statutory Auditor  
London  
United Kingdom

## DIRECTORS' REPORT

The directors present their annual report and the audited financial statements for the year ended 31 March 2022.

This directors' report has been prepared in accordance with the provisions applicable to small companies entitled to the small companies' exemption.

### BUSINESS REVIEW AND PRINCIPAL ACTIVITIES

The Company managed seven contracts during the year: two funds set up as part of the Northern Powerhouse Investment Fund (NPIF): a £92.8m debt fund operating in the North West area and a £69.4m debt fund operating in Tees Valley and Cumbria; a £20.1m property fund operating in the North East of England, a £10 million fund to provide cash collateral for contract related bonds in the North East of England and parts of North Yorkshire; a £35 million loan fund in the North West of England, a £10 million mezzanine fund in the North West of England and a £25m management succession fund in Wales.

The directors expect the general level of activity to continue in the forthcoming year as the increased activity in the Northern Powerhouse Investment Funds offsets the reductions from the Funds that are now fully invested.

FW Capital Limited has, to 31 March 2022, managed investments into funds as follows:

	No.	2022 Value £	No.	2021 Value £
North West Loans Fund	232	33,853,400	232	33,853,400
North West Mezzanine Fund	27	9,181,000	27	9,181,000
Tees Valley Catalyst Fund	48	21,562,969	44	19,304,769
North East Property Fund	39	19,904,825	28	11,874,206
North West Loans NPIF	284	77,970,693	231	61,453,193
Tees Valley & Cumbria NPIF	163	45,832,500	136	37,182,500
Management Succession Fund (Wales)	37	12,903,785	25	8,489,785
	830	221,209,172	723	181,338,853

During the year, the NPIF Debt Funds were accredited lenders under the Coronavirus Business Interruption Loan Scheme (CBILS), operated by The Secretary of State for Business, Energy and Industrial Strategy. Applications were accepted up to 31 March 2021 and all drawdowns under the scheme were processed by 13 August 2021.

On 4 August 2021, the NPIF Debt Funds entered into an agreement with The Secretary of State for Business, Energy and Industrial Strategy to become accredited lenders under the Recovery Loan Scheme (RLS). The RLS was established on 6 April 2021 by The Secretary of State for Business, Energy and Industrial Strategy with the aim of continuing to support the provision of finance to viable UK businesses during the Coronavirus outbreak and recovery period. The scheme continues to run and the deadline for loan offers to be made is 30 June 2022.

On 10 November 2021, the Company agreed to manage a further £19.1m of funding for the NPIF Funds, £10.9m for the North West area and £8.2m for the Tees Valley and Cumbria areas.

On 22 December 2021, the Company agreed to manage a further £10.0m of funding for the North East Property Fund.

The Company is authorised and regulated by the Financial Conduct Authority (FCA) in the conduct of fund management activity.

## **DIRECTORS' REPORT**

### **GOING CONCERN**

The directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the next twelve months. The directors have made an assessment of going concern, taking into account both current performance and the Company's directors outlook which considered the impact of the Russian Forces entering Ukraine, Covid-19 pandemic and the UK's exit from the European Union.

The Company manages funds provided by a number of investors, as at 31 March 2022, the amounts under management totalled £221.2m (2021: £181.3m). The Company pays its liabilities, such as audit and legal fees from management fees that it receives from investors and the directors have no concerns about the liquidity of those investors, such as Northern Powerhouse Investments Limited, whose parent and ultimate controlling party is the Secretary of State for the Department for Business, Energy and Industrial Strategy.

Sensitised financial forecasts developed by management indicate that the Company will continue to generate a surplus for the next twelve months. The directors have therefore concluded that they have a reasonable expectation that the company has adequate resources to continue in operational existence for, at least, the twelve-month period from the date of signing this report. Accordingly, they continue to adopt the going concern basis of preparing the financial statements.

### **RUSSIAN FORCES ENTERING UKRAINE**

On 24 February 2022 Russian Forces entered Ukraine, resulting in Western Nation reactions including announcements of sanctions against Russia and Russian interests worldwide and an economic ripple effect on the global economy. The directors have carried out an assessment of the potential impact of Russian Forces entering Ukraine on the business, including the impact of mitigation measures and uncertainties, and have concluded that the greatest impact is expected to be from the economic ripple effect on the global economy. It is not currently possible to determine the amount of potential impairment to investments but the directors do not anticipate the impact to be significant or material in the next 12 months.

### **DIRECTORS**

The directors of the Company, who served throughout the financial year and subsequently to the date of this report unless stated otherwise, are as shown on page 1.

### **DIRECTORS' INDEMNITIES**

The Company has made qualifying third-party indemnity provisions for the benefit of all directors. These were in force during the financial year and remained in force at the date of approval of the financial statements.

### **POLITICAL DONATIONS**

The Company made no political donations during 2022 (2021: nil)

### **SUBSEQUENT EVENTS**

There are no subsequent events to report.

## DIRECTORS' REPORT

### AUDITOR

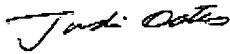
In the case of each of the persons who are directors of the company at the date when this report is approved:

- so far as each of the directors are aware, there is no relevant audit information of which the Company's auditor is unaware; and
- each of the directors has taken all the steps that they ought to have taken as director to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Development Bank of Wales plc (the "Group") of which the Company is a subsidiary, undertook a procurement exercise for external audit services during the 2022 financial year and Mazars LLP were subsequently appointed.

Approved by the Board of Directors  
and signed on behalf of the Board



J Oates  
Company Secretary

## **DIRECTORS' RESPONSIBILITIES STATEMENT**

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) including FRS 101 "Reduced Disclosure Framework". 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; 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.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FW CAPITAL LIMITED**

**Opinion**

We have audited the financial statements of FW Capital Limited (the 'company') for the year ended 31 March 2022 which comprise the profit and loss account, balance sheet, the reconciliation of movement in partners' interests and reserves, the cash flow statement 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 FRS 101 "Reduced Disclosure Framework."

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 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.



**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FW CAPITAL LIMITED**

**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 the 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 directors' report have been prepared in accordance with applicable legal requirements.

**Matters on which we are required to report by exception**

In 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.
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the directors' report and from the requirement to prepare a strategic report.

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FW CAPITAL LIMITED**

### **Responsibilities of Directors**

As explained more fully in the directors' responsibilities statement set out on page 5 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 the 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 material misstatements in respect of irregularities, including fraud.

Based on our understanding of the company and its industry, we considered that non-compliance with the following laws and regulations might have a material effect on the financial statements: employment regulation, health and safety regulation and anti-money laundering regulation.

To help us identify instances of non-compliance with these laws and regulations, and in identifying and assessing the risks of material misstatement in respect to non-compliance, our procedures included, but were not limited to:

- Inquiring of management and, where appropriate, those charged with governance, as to whether the company is in compliance with laws and regulations, and discussing their policies and procedures regarding compliance with laws and regulations;
- Inspecting correspondence, if any, with relevant licensing or regulatory authorities;
- Communicating identified laws and regulations to the engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the company which were contrary to applicable laws and regulations, including fraud.

We also considered those laws and regulations that have a direct effect on the preparation of the financial statements, such as tax legislation, pension legislation and the Companies Act 2006.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FW CAPITAL LIMITED**

In addition, we evaluated the directors' and management's incentives and opportunities for fraudulent manipulation of the financial statements, including the risk of management override of controls, and determined that the principal risks related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, and significant one-off or unusual transactions.

Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries of the directors and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

**Use of the audit 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.



Pauline Pélissier  
(Senior Statutory Auditor) for and on behalf of Mazars LLP  
Chartered Accountants and Statutory Auditor  
30 Old Bailey  
London  
EC4M 7AU  
28 July 2022

**PROFIT AND LOSS ACCOUNT**  
**For the year ended 31 March 2022**

		2022 £	2021 £
	Note		
Turnover	3	4,467,928	3,932,943
		<hr/>	<hr/>
<b>GROSS PROFIT</b>		4,467,928	3,932,943
Administrative expenses:			
Other administrative expenses	4	(3,731,381)	(3,469,126)
		<hr/>	<hr/>
<b>OPERATING PROFIT</b>		736,547	463,817
Interest receivable and similar income	6	19,073	19,053
		<hr/>	<hr/>
<b>PROFIT BEFORE TAXATION</b>		755,620	482,870
Tax on profit	7	-	-
		<hr/>	<hr/>
<b>PROFIT FOR THE FINANCIAL YEAR ATTRIBUTABLE TO EQUITY SHAREHOLDERS OF THE COMPANY</b>		<u>755,620</u>	<u>482,870</u>

All activities derive from continuing operations.

There have been no recognised gains and losses for the current or prior financial year other than as stated in the profit and loss account. Accordingly, no separate Statement of Other Comprehensive Income is presented.

**BALANCE SHEET**  
**As at 31 March 2022**

	Note	2022 £	2021 £
<b>NON-CURRENT ASSETS</b>			
Trade and other receivables	8	<u>1,720,843</u>	<u>1,679,369</u>
<b>CURRENT ASSETS</b>			
Trade and other receivables	8	273,855	375,830
Cash and cash equivalents	9	<u>3,768,902</u>	<u>2,958,544</u>
		<u>4,042,757</u>	<u>3,334,374</u>
<b>TOTAL ASSETS</b>		<u>5,763,600</u>	<u>5,013,743</u>
<b>CURRENT LIABILITIES</b>	10	<u>(456,221)</u>	<u>(461,984)</u>
<b>NET CURRENT ASSETS</b>		<u>3,586,536</u>	<u>2,872,390</u>
<b>NET ASSETS</b>		<u>5,307,379</u>	<u>4,551,759</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	11	145,000	145,000
Profit and loss account		<u>5,162,379</u>	<u>4,406,759</u>
<b>TOTAL SHAREHOLDER'S FUNDS</b>		<u>5,307,379</u>	<u>4,551,759</u>

The financial statements of FW Capital Limited, registered number 07078439, were approved by the Board of Directors and authorised for issue on 28 July 2022.

Signed on its behalf by



M Owen  
 Director

**STATEMENT OF CHANGES IN EQUITY**  
**For the year ended 31 March 2022**

	<b>Called up share capital £</b>	<b>Profit and loss account £</b>	<b>Total £</b>
<b>Balance at 1 April 2020</b>	145,000	3,923,889	4,068,889
Total comprehensive income for the year	-	482,870	482,870
<b>Balance at 31 March 2021</b>	<u>145,000</u>	<u>4,406,759</u>	<u>4,551,759</u>
Total comprehensive income for the year	-	755,620	755,620
<b>Balance at 31 March 2022</b>	<u>145,000</u>	<u>5,162,379</u>	<u>5,307,379</u>

## NOTES TO THE FINANCIAL STATEMENTS

### For the year ended 31 March 2022

#### 1. ACCOUNTING POLICIES

The principal accounting policies are summarised below. They have been applied consistently throughout the year and the preceding year.

##### **Basis of accounting**

FW Capital is a company incorporated in the United Kingdom under the Companies Act 2006. The Company is a private Company limited by shares and is registered in England & Wales. The address of the registered office is given on page 1. The nature of the Company's operations and its principal activities are set out in the Directors' Report on page 2.

The Company meets the definition of a qualifying entity under FRS 100 (Financial Reporting Standard 100) issued by the Financial Reporting Council. These financial statements were prepared in accordance with FRS 101 (Financial Reporting Standard 101) '*Reduced Disclosure Framework*' as issued by the Financial Reporting Council.

The financial statements have been prepared on the historical cost basis and on a going concern basis as discussed in the Director's report on page 2. Historical cost is generally based on the fair value of the consideration given in exchange for the goods and services. The principal accounting policies adopted are set out below.

The financial statements are presented in Sterling (£). This is the functional currency of the entity.

As permitted by FRS 101, the Company has taken advantage of the disclosure exemptions available under that standard in relation to financial instruments, capital management, presentation of a cash-flow statement, revenue disclosures, standards not yet effective and certain related party transactions. Where required, equivalent disclosures are given in the Group financial statements of Development Bank of Wales plc. The Group financial statements of Development Bank of Wales Plc are available to the public and can be obtained as set out in Note 12.

##### **Taxation**

##### Current Tax

Current tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date. 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.

##### Deferred Tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. The carrying amount of deferred tax assets is reviewed at each balance sheet 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 based on tax laws and rates that have been enacted or substantively enacted at the balance sheet date.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

## NOTES TO THE FINANCIAL STATEMENTS

### For the year ended 31 March 2022

#### 1. ACCOUNTING POLICIES (continued)

##### **Taxation (continued)**

##### Current tax and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

##### **Turnover**

Turnover represents arrangement fees, monitoring fees, recovery of professional fees and fund management fees. All turnover arises in the UK on loans made to SMEs and management charges to fellow Group companies. Turnover is recognised over the period to which it relates.

##### **Financial instruments**

Financial assets and financial liabilities are recognised in the Company's balance sheet when the Company becomes a party to the contractual provisions of the relevant instrument.

##### *Financial Assets*

##### Financial Assets held at amortised cost

Trade receivables, loans, and other receivables that have fixed or determinable payments that are not quoted in an active market are classified at amortised cost.

##### Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand 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 changes in value.

##### *Financial liabilities*

Debt instruments are classified as financial liabilities according to the substance of the contractual arrangements.

##### Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire.

##### **Related party transactions**

In accordance with the exemption conferred by paragraph 8 (j) of FRS 101 "Reduced Disclosure Framework" the Company has not disclosed transactions with other Group companies, where 100% of the voting rights are controlled by the Group.

#### 2. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Company's accounting policies, which are described in note 1 above, the directors are required to make judgements, estimates and assumptions about the carrying amounts 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 if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

##### **Critical judgements in applying the Company's accounting policies**

There are no critical accounting judgements in applying the Company's accounting policies



**NOTES TO THE FINANCIAL STATEMENTS****For the year ended 31 March 2022****2. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (continued)****Key sources of estimation uncertainty**

There are no key assumptions concerning the future, or other key sources of estimation uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

**3. TURNOVER**

An analysis of the Company's turnover, all of which arises in the UK, is as follows:

	2022 £	2021 £
Management fees	4,268,669	3,737,964
Other fees	199,259	194,979
	<u>4,467,928</u>	<u>3,932,943</u>

**4. OPERATING PROFIT**

Operating profit has been arrived at after charging the following:

	2022 £	2021 £
<b>Auditor's remuneration:</b>		
Fees payable to the Company's auditor for the audit of the Company's annual accounts.	6,070	6,460
<b>Other services:</b>		
Other assurance services	-	17,370
Tax compliance	<u>-</u>	<u>3,661</u>

The Company incurred £32,800 (2021: £32,800) in respect of audit fees relating to funds under management. The Company incurred £18,699 (2021: £19,600) in respect of tax compliance fees relating to funds under management.

**5. INFORMATION REGARDING DIRECTORS AND EMPLOYEES**

None of the directors received any emoluments from the Company in the current or prior financial year. It is not practicable to allocate their remuneration between their services as directors of this Company and other Group companies. Further details of directors' remuneration are presented in the financial statements of Development Bank of Wales plc and DBW FM Limited.

The directors were the only employees of the Company during the current and prior financial year.

**6. INTEREST RECEIVABLE AND SIMILAR INCOME**

	2022 £	2021 £
Interest on loan to Group company	<u>19,073</u>	<u>19,053</u>

**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended 31 March 2022**

**7. TAX ON PROFIT**

	2022 £	2021 £
<b>Current taxation</b>		
UK corporation tax charge for the year	-	-
The charge for the year can be reconciled to the profit in the profit and loss account as follows:		
	£	£
Profit before tax	755,620	482,870
Tax on profit at standard UK corporation tax rate of 19% (2021: 19%)	143,568	91,745
<b>Effects of:</b>		
Expenses not deductible for tax purposes	1,749	15
Group relief not paid for	(145,202)	(91,645)
Amounts not recognised	(115)	(115)
<b>Total taxation charge</b>	-	-

The main rate of corporation tax is 19%. From 1 April 2023 the main rate of corporation tax will be 25% and this rate has been used to calculate deferred tax in these financial statements.

**8. DEBTORS**

	2022 £	2021 £
<b>Amounts falling due within one year:</b>		
Trade debtors	19,111	33,788
Other debtors	254,744	342,042
	273,855	375,830
<b>Amounts falling due after more than one year:</b>		
Amounts owed by other Group companies	1,720,843	1,679,369
	1,720,843	1,679,369

Amounts owed by other Group companies are not interest bearing and will be repaid within the next ten years. Included in amounts owed by Group companies falling due after more than one year is a loan of £1,000,000 (2021: £1,000,000) to another Group company which is due to be repaid in 2028. The terms of the loan state that it is payable within seven days on demand, but as the directors have no intention to request repayment prior to the full term, the loan is included in amounts falling due after more than one year.

**9. CASH AND CASH EQUIVALENTS**

	2022 £	2021 £
Cash and cash equivalents	3,768,902	2,958,544

Cash and cash equivalents comprise cash, short-term bank deposits with an original maturity of 3 months or less.

**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended 31 March 2022**

**10. CREDITORS**

	2022 £	2021 £
<b>Amounts falling due within one year:</b>		
Trade creditors	12,055	19,959
Other creditors	18,000	30,320
Accruals	426,166	411,705
	<u>456,221</u>	<u>461,984</u>

There are no trade creditors past due and the trade creditors and other creditors will be settled within the credit period offered by the counterparty.

**11. CALLED UP SHARE CAPITAL**

	2022 £	2021 £
<b>Authorised and allotted</b>		
145,000 ordinary shares of £1 each	<u>145,000</u>	<u>145,000</u>
<b>Allotted, called up and fully paid</b>		
145,000 ordinary shares of £1	<u>145,000</u>	<u>145,000</u>

The Company has one class of share which carry no right to fixed income.

**12. ULTIMATE PARENT COMPANY AND CONTROLLING PARTY**

The Company's immediate parent undertaking is DBW Managers Ltd, a company incorporated in Great Britain. Development Bank of Wales plc is the parent of the smallest and largest group of which the Company is a member and for which consolidated financial statements are prepared. The registered office address of Development Bank of Wales plc is Unit J, Yale Business Village, Ellice Way, Wrexham, LL13 7YL. Copies of the Group financial statements of Development Bank of Wales plc are available from Companies House, Crown Way, Maindy, Cardiff CF14 3UZ.

Development Bank of Wales plc regards the Welsh Ministers, acting through the Welsh Government, as the ultimate parent Company and ultimate controlling party.