REGISTERED NUMBER: 12161169 (England and Wales)

BARON & GRANT INVESTMENT MANAGEMENT LTD

STRATEGIC REPORT, REPORT OF THE DIRECTORS AND

AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

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FOR THE YEAR ENDED 31 DECEMBER 2021

COMPANY INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2021

DIRECTORS:	C I Grant T Poynton
REGISTERED OFFICE:	66 Lincoln's Inn Fields London WC2A 3LH
REGISTERED NUMBER:	12161169 (England and Wales)
AUDITORS:	Cox Costello & Horne Chartered Accountants and Statutory Auditors 26 Main Avenue Moor Park HA6 2HJ

STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2021

The directors present their strategic report for the year ended 31 December 2021.

Baron & Grant Investment Management Limited is a boutique FCA regulated financial planning, advice and discretionary investment management company who have been authorised since 4 January 2021. We are specialists in managing investment trust focused portfolios which are complemented by a carefully selected range of exchange-traded funds (ETFs). We provide financial planning, advice and discretionary investment management services to individuals (including ISAs, JISAs & GIAs), companies, pension schemes (including SIPP & SSAS), Trusts and Charities. We offer leading expertise and pride ourselves on providing clients with exceptional levels of personal service.

Baron & Grant Investment Management Limited does not hold client assets, inclusive of cash, in its own name.

Baron & Grant Investment Management Limited executes trades on an agency basis only.

REVIEW OF BUSINESS
2021 represented the firms first full year as an FCA regulated business. The firm ended the year with £31,946,623 in funds under management and generated total income of £373,497 in the year as a whole. This represented a credible performance from a standing start. The key focus of the business was on delivering a high quality service to founder clients while building up the firm's cash reserves.

PRINCIPAL RISKS AND UNCERTAINTIES
The principal risks to Baron & Grant Investment Management Limited is a loss of key clients or a long-term decline in stock market valuations with both events resulting in diminished revenues (fee income is based on portfolio valuations).

Baron & Grant Investment Management Limited is managed conservatively and has no bank debt or debt owed to external parties. Furthermore, it maintains a significant cash balance over and above capital requirements. At the reporting date the company held £275,424 in capital resources, over and above the capital requirements of €50,000 (£41,978 calculated on the basis of a GBP:EUR spot rate as of 31 December 2021 of £1=€1.1911) and are positioned to be able to meet all its future financial obligations in full.

KEY PERFORMANCE INDICATORS
The directors consider the following to be key financial performance indicators:

Turnover - £373,497

Profit before tax - £215,734

Funds under management - £31,946,623 (effective 31/12/2021)

During the reporting period, Baron & Grant Investment Management Limited had no compliance breaches or client complaints reported.

The directors are satisfied that these financial performance measures are indicative of a strong first period of trade and are anticipated to grow next year.

OTHER KEY PERFORMANCE INDICATORS
The Capital Requirements Directive IV (CRD IV) requires country by country reporting (CBCR). However, as shown in the notes to these financial statements all turnover is derived from the UK and the company has no establishments overseas. The requirement is therefore met by the information disclosed in these financial statements.

ON BEHALF OF THE BOARD:

C I Grant - Director

12 February 2022

REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 DECEMBER 2021

The directors present their report with the financial statements of the company for the year ended 31 December 2021.

PRINCIPAL ACTIVITY
The principal activity of the business is the provision of financial planning, advice and discretionary investment management services.

DIVIDENDS
No dividends will be distributed for the year ended 31 December 2021.

FUTURE DEVELOPMENTS
The directors consider that the operations of the company will remain substantially unchanged for the foreseeable future and the company is continuing to explore opportunities to grow the business organically.

DIRECTORS
The directors shown below have held office during the whole of the period from 1 January 2021 to the date of this report.

C I Grant
T Poynton

DIRECTORS' INDEMNITY
The directors have the benefit of the indemnity provisions contained in the company's Articles of Association ('Articles'), and the company has maintained throughout the year directors' and officers' liability insurance for the benefit of the company, the directors and its officers.

PILLAR 3 RISK DISCLOSURE
The Investment Firms Prudential Regime (IFPR) is the FCA new prudential regime for MiFID investment firms. The regime came into force on 1 January 2022. Firms categorised as BIPRU firms will not longer be subject to BIPRU. The new MIFIDPRU sourcebook will instead apply to all MIFID investment firms.

The following disclosures are in relation to rules that existed on 1 January 2021.

Disclosure Policy
The Pillar 3 rules in BIPRU 11 set out the need for firms to have a formal disclosure procedure in place. In accordance with the rules of the Financial Conduct Authority (FCA) Baron & Grant Investment Management Limited will disclose the information set out in BIPRU 11 (the Pillar 3 rule) on at least an annual basis via publication on the company website: www.baronandgrant.com.

BIPRU 11.3.5 allows that a Firm may omit one or more disclosures if the information provided by such disclosures is not regarded as material. Information shall be regarded as material if its omission or misstatement could change or influence the assessment or decision of a user relying on that information for the purpose of making economic decisions.

BIPRU 11.3.6 provides that a Firm may omit one or more items of information included in the required disclosures if those items include information which is regarded as proprietary or confidential. Information shall be considered proprietary to a Firm if disclosing it publicly would undermine its competitive position.

Where information has been omitted from these disclosures in accordance with BIPRU 11.3 this has been stated in the relevant section.

These disclosures relate to Baron & Grant Investment Management Limited only, which is the only regulated entity that is required to be assessed.

Summary
Baron & Grant Investment Management Limited is authorised and regulated by the FCA (FRN: 930300) and is classified as a BIPRU €50k limited license firm for prudential purposes.

Key points relevant to this statement are:
- Baron & Grant Investment Management Limited is a financial planning, advice and discretionary investment management company specilaising in managing investment trust focused portfolios which are complemented by a carefully selected range of exchange-traded funds (ETFs).
- The Firm neither holds nor handles client money.

PILLAR 3 RISK DISCLOSURE - CONTINUED

Capital position
Baron & Grant Investment Management Limited is managed conservatively and has no bank debt or debt owed to external parties. Furthermore, it does not require an overdraft facility and it maintains a significant cash balance over and above capital requirements.

Capital adequacy
Baron & Grant Investment Management Limited's Pillar 1 Requirement is €50,000 (£41,978 calculated on the basis of a GBP:EUR spot rate as of 31 December 2021 of £1 = €1.1911) as at the annual period of review, 31 December 2021. The Firm's Fixed Overhead Requirement is lower than the basic capital requirement of €50,000.

Credit and Counterparty Risk
Baron & Grant Investment Management Limited does not have any outstanding loans nor does it trade in derivatives. Furthermore, all trades are completed on a Delivery vs Payment (DVP) basis completely negating the Firm's exposure to counterparty risk.

Market Risk
The FCA's definition of market risks relates to a Firm's proprietary holdings. Baron & Grant Investment Management Limited does not trade on its own account and therefore this risk is not consideration for Pillar 1.

Liquidity Risk
The majority of the Firm's assets are held as cash and as such are readily realisable ensuring Liquidity risk is minimum.

Operational Risk
Baron & Grant Investment Management Limited has minimal operational risk due to the majority outsourcing of its functions. Consequently, the Covid-19 pandemic has highlighted the fact that we are able to operate from anywhere at any time. The Firm implements a controls-based environment in which processes are documented, authorisation is independent, and transactions are reconciled and monitored. Baron & Grant Investment Management Limited has both Professional Indemnity and Directors & Officers insurance.

Business Risk
The Firm's greatest risk is not achieving projecting revenues as a result of scenarios including, but not limited to:
- loss of key individuals;
- inability to attract new clients;
- failure of IT systems;
- reputational and regulatory risks.

All these business risks are assessed and mitigated as part of the ICAAP.

Insurance Risk
Baron & Grant Investment Management Limited's insurance covers necessary legal requirements.

Compliance with the rules of BIPRU and Pillar 2 Rule Requirements
Baron & Grant Investment Management Limited is a limited licence €50k Firm and as such its capital requirements are the greater of:
- Its base capital requirement of €50k; or
- The sum of the market risk and credit risk capital requirements; or
- Its Fixed Overhead Requirement.

These Capital Requirements have been assessed as part of the Internal Capital Adequacy Assessment Process (ICAAP) and have ben calculated in accordance with the relevant FCA rules.

On completion of the ICAAP, the Firm concluded that its final level of capital is calculated as the Base Capital Requirement with no additional Pillar 2 capital required.

Baron & Grant Investment Management Limited has capital resources of £275,424 compared to its Pillar 1 requirement of €50,000 (£41,978 calculated on the basis of a GBP:EUR spot rate as of 31 December 2021 of £1 = €1.1911), a surplus of £233,446.

PILLAR 3 RISK DISCLOSURE - CONTINUED

Remuneration Policy Disclosure

Baron & Grant Investment Management Limited is subject to the remuneration rules contained within FCA's Remuneration Code ("the Code"). The Code governs the maintenance of a a remuneration policy and the implementation of procedures and practices for the directors and employees that are consistent with and promote sound effect risk management.

Given the size and the nature of the Firm, the directors do not consider there to be a need to maintain a separate remuneration committee. Remuneration levels are decided on an annual basis and are reviewed in association with any material changes and in line with business risk profiles.

The Remuneration Policy is reviewed annually and approved by the board of directors. The Policy is designed to support the company's business strategy, long term interest and values, and to ensure that risk taking does not exceed the company's tolerated level of risk. Periodic benchmarking ensures that remuneration at individual level is not unreasonable or disproportionate to the amount, nature, quality and scope of the work performed. Bonuses are paid on a discretionary basis and are designed to reflect an individual's performance so long as the sufficient retained profit remains. No bonuses were paid for the financial year. Where applicable, employees will also receive ancillary benefits.

Code Staff Remuneration

The term 'Code Staff' applies to relevant employees of the company who are included within the Firm's interpretation of 'Code Staff' for the purposes of this disclosure.

The aggregate remuneration for Code Staff for the financial year was £42,684. The total number of Code Staff was 2.

The company made no omissions on the grounds of data protection.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

The auditors, Cox Costello & Horne, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:

C I Grant - Director

12 February 2022

STATEMENT OF DIRECTORS' RESPONSIBILITIES
FOR THE YEAR ENDED 31 DECEMBER 2021

The directors are responsible for preparing the Strategic Report, the Report of the Directors 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 Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

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

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

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Opinion
We have audited the financial statements of Baron & Grant Investment Management Ltd (the 'company') for the year ended 31 December 2021 which comprise the Profit and Loss account, Balance Sheet, Statement of Changes in Equity, 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 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 31 December 2021 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern
In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other matter
We would like to draw your attention that the comparative figures are unaudited.

Other information
The directors are responsible for the other information. The other information comprises the information in the Strategic Report, the Report of the Directors and the Statement of Directors' Responsibilities, but does not include the financial statements and our Report of the Auditors thereon.

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.

In connection with our audit of the financial statements, 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 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.

In our opinion, based on the work undertaken in the course of the audit:
- the information given in the Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception
In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Report of the Directors.

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.

Responsibilities of directors
As explained more fully in the Statement of Directors' Responsibilities, 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 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.

Auditors' 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 a Report of the Auditors 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.

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

- the nature of the industry and sector, control environment nd business performance including the remuneration incentives and pressures of key management;
- the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the company and management. We consider the results of our enquiries of management about their own identification and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed the company's documentation of their policies and procedures relating to:
  - identifying, evaluating and complying with laws and regulations, including FCA compliance and whether they were aware of any instances of non-compliance;
  - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; and
  - the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations.
- the matters discussed among the audit engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud. In common with all audits under ISA's (UK), we are also required to perform specific procedures to respond to the risk of management override, including testing journals and evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.

We also obtained an understanding of the legal and regulatory frameworks that the company operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. We focused on laws and regulations that could give rise to a misstatement int he financial statements, including, but not limited to, the Companies Act 2006, Financial Conduct Authority regulations and relevant tax legislation.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance.

Auditors' responsibilities for the audit of the financial statements - continued
The risk is also greater regarding irregularities occuring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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. This description forms part of our Report of the Auditors.

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 a Report of the Auditors 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.

Michael F Cox (Senior Statutory Auditor)
for and on behalf of Cox Costello & Horne
Chartered Accountants and Statutory Auditors
26 Main Avenue
Moor Park
HA6 2HJ

12 February 2022

Note:
The maintenance and integrity of the Baron & Grant Investment Management Ltd website is the responsibility of the directors; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.

PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	Year Ended 31.12.21 £	Period 16.8.19 to 31.12.20 (Unaudited) £
TURNOVER	4	**373,497**	-
Cost of sales		**35,346**	-
GROSS PROFIT		**338,151**	-
Administrative expenses		**122,733**	87,931
OPERATING PROFIT/(LOSS)	6	**215,418**	(87,931)
Interest receivable and similar income		**316**	-
PROFIT/(LOSS) BEFORE TAXATION		**215,734**	(87,931)
Tax on profit/(loss)	7	**27,379**	-
PROFIT/(LOSS) FOR THE FINANCIAL YEAR		**188,355**	(87,931)
OTHER COMPREHENSIVE INCOME		**-**	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**188,355**	(87,931)

The notes form part of these financial statements

BALANCE SHEET
31 DECEMBER 2021

			31.12.21		31.12.20 (Unaudited)
	Notes	£	£	£	£
FIXED ASSETS					
Tangible assets	8		**11,201**		11,138
CURRENT ASSETS					
Debtors	9	**43,396**		2,334	
Cash at bank		**278,935**		84,440	
		322,331		86,774	
CREDITORS					
Amounts falling due within one year	10	**55,980**		10,843	
NET CURRENT ASSETS			**266,351**		75,931
TOTAL ASSETS LESS CURRENT LIABILITIES			**277,552**		87,069
PROVISIONS FOR LIABILITIES	12		**2,128**		-
NET ASSETS			**275,424**		87,069
CAPITAL AND RESERVES					
Called up share capital	13		**150,000**		150,000
Share premium	14		**25,000**		25,000
Retained earnings	14		**100,424**		(87,931)
SHAREHOLDERS' FUNDS			**275,424**		87,069

The financial statements were approved by the Board of Directors and authorised for issue on 12 February 2022 and were signed on its behalf by:

C I Grant - Director

T Poynton - Director

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2021

	Called up share capital £	Retained earnings £	Share premium £	Total equity £
Changes in equity				
Issue of share capital	150,000	-	25,000	175,000
Total comprehensive income	-	(87,931)	-	(87,931)
Balance at 31 December 2020	150,000	(87,931)	25,000	87,069
Changes in equity				
Total comprehensive income	-	188,355	-	188,355
Balance at 31 December 2021	150,000	100,424	25,000	275,424

The notes form part of these financial statements

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	Year Ended 31.12.21 £	Period 16.8.19 to 31.12.20 (Unaudited) £
Cash flows from operating activities			
Cash generated from operations	16	**198,036**	(80,532)
Net cash from operating activities		**198,036**	(80,532)
Cash flows from investing activities			
Purchase of tangible fixed assets		**(4,098)**	(14,553)
Interest received		**316**	-
Net cash from investing activities		**(3,782)**	(14,553)
Cash flows from financing activities			
Amount introduced by directors		**241**	4,525
Share issue		**-**	175,000
Net cash from financing activities		**241**	179,525
Increase in cash and cash equivalents		**194,495**	84,440
Cash and cash equivalents at beginning of year	17	**84,440**	-
Cash and cash equivalents at end of year	17	**278,935**	84,440

The notes form part of these financial statements

1. STATUTORY INFORMATION

Baron & Grant Investment Management Ltd is a private company, limited by shares , registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

The presentation currency of the financial statements is the Pound Sterling (£).

2. ACCOUNTING POLICIES

Basis of preparing the financial statements
These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future; taken to be at least 12 months from signing the financial statements. As stated in their strategic report, the directors are taking steps to mitigate the financial downsides of the Covid-19 outbreak and ensure that the company continues to apply the going concern basis of accounting for the financial statements.

Turnover
Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contracted subcontractors and contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that it is probable will be recovered.

Tangible fixed assets
Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Office equipment	- 20% on cost
Computer equipment	- 33% on cost

Tangible fixed assets are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Financial instruments
a) Debtors
Basic financial assets, including trade and other debtors, are initially recognised at transaction price, 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. Such assets are subsequently carried at amortised cost using the effective interest method, less any impairment.

b) Creditors
Basic financial liabilities, including trade and other creditors, loans from third parties and loans from related parties, 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. Such instruments are subsequently carried at amortised cost using the effective interest method, less any impairment.

Cash at bank and in hand
Cash and cash equivalents are represented by cash in hand, deposits held at call with financial institutions, and other short-term highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

continued...

2. **ACCOUNTING POLICIES - continued**

Taxation

The tax expense for the year comprises current and deferred tax.

Tax is recognised in profit or loss except that a change attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that:
- the recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Both current and deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

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.

3. **CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY**

The directors do not consider that there are any material sources of estimation or uncertainty in the measurement or recognition of transactions entered into during the financial year.

4. **TURNOVER**

The turnover and profit (2020 - loss) before taxation are attributable to the one principal activity of the company.

The whole of the turnover is attributable to financial advice and investment management fees.

All turnover arose within the United Kingdom.

5. **EMPLOYEES AND DIRECTORS**

	Year Ended 31.12.21	Period 16.8.19 to 31.12.20 (Unaudited)
	£	£
Wages and salaries	**42,684**	33,767

The average number of employees during the year was as follows:

	Year Ended 31.12.21	Period 16.8.19 to 31.12.20 (Unaudited)
Investment management	**2**	2

continued...

5. EMPLOYEES AND DIRECTORS - continued

	Year Ended 31.12.21	Period 16.8.19 to 31.12.20 (Unaudited)
	£	£
Directors' remuneration	**42,684**	33,767

KEY MANAGEMENT PERSONNEL
The directors are considered to be the key management personnel.

6. OPERATING PROFIT/(LOSS)

The operating profit (2020 - operating loss) is stated after charging:

	Year Ended 31.12.21	Period 16.8.19 to 31.12.20 (Unaudited)
	£	£
Depreciation - owned assets	**4,035**	3,415
Auditors' remuneration	**2,500**	-
Formation costs	**-**	285
Auditors' remuneration - other services	**3,509**	3,000

7. TAXATION

Analysis of the tax charge
The tax charge on the profit for the year was as follows:

	Year Ended 31.12.21	Period 16.8.19 to 31.12.20 (Unaudited)
	£	£
Current tax:		
UK corporation tax	**25,251**	-
Deferred tax	**2,128**	-
Tax on profit/(loss)	**27,379**	-

continued...

7. **TAXATION - continued**

Reconciliation of total tax charge included in profit and loss
The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below:

	Year Ended 31.12.21	Period 16.8.19 to 31.12.20 (Unaudited)
	£	£
Profit/(loss) before tax	215,734	(87,931)
Profit/(loss) multiplied by the standard rate of corporation tax in the UK of 19% (2020 - 19%)	40,989	(16,707)
Effects of:		
Expenses not deductible for tax purposes	745	2,585
Capital allowances in excess of depreciation	(245)	(2,116)
Utilisation of tax losses	(16,238)	-
Unutilised tax losses	-	16,238
Deferred tax - accelerated capital allowances	2,128	-
Total tax charge	27,379	-

Factors that may affect future tax charges
Tax rate changes
Changes to the UK corporation tax rates were substantively enacted as part of Finance Act 2021 on 24 May 2021 (Royal Assent received on 10 June 2021). These include increasing the main rate of tax from 19% to 25% from 1 April 2023 on profits over £250,000. The rate for small profits under £50,000 will remain at 19%.

Where a company's profits fall between £50,000 and £250,000 (the lower and upper limits), it will be able to claim an amount of marginal relief, providing a gradual increase in the corporation tax rate.

A 'super-deduction' will be introduced from 1 April 2021 until 31 March 2023 allowing companies to benefit from a 130% first-year allowance for capital expenditure on qualifying new plant and machinery assets.
Deferred taxes at the balance sheet date have been measured using these enacted tax rates and reflected in these financial statements.

Deferred tax
Unrelieved tax losses and other deferred tax assets are only recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

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8. TANGIBLE FIXED ASSETS

	Office equipment £	Computer equipment £	Totals £
COST			
At 1 January 2021	**10,773**	**3,780**	**14,553**
Additions	**478**	**3,620**	**4,098**
At 31 December 2021	**11,251**	**7,400**	**18,651**
DEPRECIATION			
At 1 January 2021	**2,155**	**1,260**	**3,415**
Charge for year	**2,198**	**1,837**	**4,035**
At 31 December 2021	**4,353**	**3,097**	**7,450**
NET BOOK VALUE			
At 31 December 2021	**6,898**	**4,303**	**11,201**
At 31 December 2020	8,618	2,520	11,138

9. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.21 £	31.12.20 (Unaudited) £
Accrued income	**35,274**	-
Prepayments	**8,122**	2,334
	43,396	2,334

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.21 £	31.12.20 (Unaudited) £
Trade creditors	**5,009**	4,272
Tax	**25,251**	-
Social security and other taxes	**2,441**	907
VAT	**1,856**	-
Other creditors	**631**	1,139
Directors' current accounts	**4,766**	4,525
Accrued expenses	**16,026**	-
	55,980	10,843

continued...

11. FINANCIAL INSTRUMENTS

The company has the following basic financial instruments:

	31.12.21	31.12.20 (Unaudited)
	£	£
Financial assets measured at amortised cost	283,935	84,440
Financial liabilities measured at amortised cost	21,986	9,936

Financial assets measured at amortised cost comprise cash at bank and accrued income.

Financial liabilities measured at cost comprise trade creditors, other creditors, directors' current accounts and accrued expenses.

12. PROVISIONS FOR LIABILITIES

	31.12.21	31.12.20 (Unaudited)
	£	£
Deferred tax	**2,128**	-

	Deferred tax
	£
Accelerated capital allowances	**2,128**
Balance at 31 December 2021	**2,128**

13. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	**31.12.21** £	31.12.20 £
120,000	Ordinary A	£1	**120,000**	120,000
30,000	Ordinary B	£1	**30,000**	30,000
			150,000	150,000

14. RESERVES

	Retained earnings	**Share premium**	**Totals**
	£	**£**	**£**
At 1 January 2021	**(87,931)**	**25,000**	**(62,931)**
Profit for the year	**188,355**		**188,355**
At 31 December 2021	**100,424**	**25,000**	**125,424**

Retained earnings includes all current and prior retained profits and losses. All amounts are distributable.

15. ULTIMATE CONTROLLING PARTY

The directors consider there is no single controlling party. There has been no change between the reporting date and date of approval of the financial statements.

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16. RECONCILIATION OF PROFIT/(LOSS) BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS

	Year Ended 31.12.21	Period 16.8.19 to 31.12.20 (Unaudited)
	£	£
Profit/(loss) before taxation	215,734	(87,931)
Depreciation charges	4,035	3,415
Finance income	(316)	-
	219,453	(84,516)
Increase in trade and other debtors	(41,062)	(2,334)
Increase in trade and other creditors	19,645	6,318
Cash generated from operations	198,036	(80,532)

17. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

Year ended 31 December 2021

	31.12.21	1.1.21
	£	£
Cash and cash equivalents	278,935	84,440

Period ended 31 December 2020

	31.12.20	16.8.19 (Unaudited)
	£	£
Cash and cash equivalents	84,440	-

18. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.1.21	Cash flow	At 31.12.21
	£	£	£
Net cash			
Cash at bank	84,440	194,495	278,935
	84,440	194,495	278,935
Total	84,440	194,495	278,935

19. IMPACT OF THE COVID-19 PANDEMIC

The COVID-19 pandemic existed at the balance sheet date, although the scale of the pandemic and associated government policy response only began to become clear in the months leading upto the company's financial year. The directors have considered the effect of the COVID-19 pandemic on the company's activities. This event is likely to cause disruption to the company's activities, but at the date of the approval of these financial statements, the extent and quantum of the disruptions remains uncertain.