

COMPANY REGISTRATION NUMBER: 02059737

Hudson Foster Financial Services Limited
Filleted Unaudited Financial Statements
31 October 2021

Hudson Foster Financial Services Limited

Statement of Financial Position

31 October 2021

| | | 2021 | 2020 |
|---|------|---------------------|------------------|
| | Note | £ | £ |
| Fixed assets | | | |
| Intangible assets | 5 | 3,988,299 | – |
| Tangible assets | 6 | 5,719 | 8,136 |
| Investments | 7 | – | 1,124,835 |
| | | <u>3,994,018</u> | <u>1,132,971</u> |
| Current assets | | | |
| Stocks | | 750 | 750 |
| Debtors | 8 | 40,688 | 157,950 |
| Cash at bank and in hand | | 15,953 | 680,237 |
| | | <u>57,391</u> | <u>838,937</u> |
| Creditors: amounts falling due within one year | 9 | <u>1,110,742</u> | <u>163,920</u> |
| Net current (liabilities)/assets | | <u>(1,053,351)</u> | <u>675,017</u> |
| Total assets less current liabilities | | <u>2,940,667</u> | <u>1,807,988</u> |
| Provisions | | | |
| Taxation including deferred tax | | 808 | 808 |
| Net assets | | <u>2,939,859</u> | <u>1,807,180</u> |
| Capital and reserves | | | |
| Called up share capital | | 750 | 750 |
| Capital redemption reserve | | 250 | 250 |
| Other reserves | | 222,840 | 222,840 |
| Profit and loss account | | 2,716,019 | 1,583,340 |
| Shareholders funds | | <u>2,939,859</u> | <u>1,807,180</u> |

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with Section 1A of FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In accordance with section 444 of the Companies Act 2006, the statement of income and retained earnings has not been delivered.

For the year ending 31 October 2021 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Director's responsibilities:

- The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476 ;
- The director acknowledges his responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements .

Hudson Foster Financial Services Limited

Statement of Financial Position *(continued)*

31 October 2021

These financial statements were approved by the board of directors and authorised for issue on 30 November 2021
, and are signed on behalf of the board by:

M D Holdsworth

Director

Company registration number: 02059737

Hudson Foster Financial Services Limited

Notes to the Financial Statements

Year ended 31 October 2021

1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is Ilkley Hall, Ilkley Hall Park, Ilkley, LS29 9LD.

2. Statement of compliance

These financial statements have been prepared in compliance with Section 1A of FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Revenue recognition

Turnover represents life and pension commissions. Commissions are recognised for income purposes on a receipts basis.

Income tax

Deferred taxation is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful life of that asset as follows:

| | | |
|----------|---|-------------------|
| Goodwill | - | 10% straight line |
|----------|---|-------------------|

If there is an indication that there has been a significant change in amortisation rate, useful life or residual value of an intangible asset, the amortisation is revised prospectively to reflect the new estimates.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

| | | |
|---------------------|---|----------------------|
| Leasehold Property | - | 10% straight line |
| Improvements | | |
| Fixtures & Fittings | - | 15% reducing balance |
| Computer Equipment | - | 30% reducing balance |

Investments

Fixed asset investments are initially recorded at cost, and subsequently stated at cost less any accumulated impairment losses.

Listed investments are measured at fair value with changes in fair value being recognised in profit or loss.

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date. For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets. For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the company are assigned to those units.

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

Government grants

Government grants are recognised at the fair value of the asset received or receivable. Grants are not recognised until there is reasonable assurance that the company will comply with the conditions attaching to them and the grants will be received. Government grants are recognised using the accrual model and the performance model. Under the accrual model, government grants relating to revenue are recognised on a systematic basis over the periods in which the company recognises the related costs for which the grant is intended to compensate. Grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs are recognised in income in the period in which it becomes receivable. Grants relating to assets are recognised in income on a systematic basis over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income and not deducted from the carrying amount of the asset. Under the performance model, where the grant does not impose specified future performance-related conditions on the recipient, it is recognised in income when the grant proceeds are received or receivable. Where the grant does impose specified future performance-related conditions on the recipient, it is recognised in income only when the performance-related conditions have been met. Where grants received are prior to satisfying the revenue recognition criteria, they are recognised as a liability.

Provisions

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event, it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense. Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

Financial instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities. Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability. Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund. When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

4. Employee numbers

The average number of persons employed by the company during the year amounted to 1 (2020: 12).

5. Intangible assets

| | Goodwill |
|--|------------------|
| | £ |
| Cost | |
| At 1 November 2020 | 222,840 |
| Additions | — |
| Acquisitions through business combinations | 1,850,000 |
| Other movements | 2,138,299 |
| | ----- |
| At 31 October 2021 | 4,211,139 |
| | ----- |
| Amortisation | |
| At 1 November 2020 and 31 October 2021 | 222,840 |
| Carrying amount | |
| At 31 October 2021 | 3,988,299 |
| | ----- |
| At 31 October 2020 | — |
| | ----- |

6. Tangible assets

| | Land and buildings £ | Fixtures and fittings £ | Equipment £ | Total £ |
|---|----------------------------|-------------------------------|----------------|----------------|
| Cost | | | | |
| At 1 November 2020 and 31 October 2021 | 33,000 | 18,736 | 68,134 | 119,870 |
| Depreciation | | | | |
| At 1 November 2020 | 33,000 | 16,016 | 62,718 | 111,734 |
| Charge for the year | — | 444 | 1,973 | 2,417 |
| At 31 October 2021 | 33,000 | 16,460 | 64,691 | 114,151 |
| Carrying amount | | | | |
| At 31 October 2021 | — | 2,276 | 3,443 | 5,719 |
| At 31 October 2020 | — | 2,720 | 5,416 | 8,136 |

7. Investments

| | Other investments other than loans £ |
|---------------------------|--|
| Cost | |
| At 1 November 2020 | 1,572,240 |
| Additions | 1,013,464 |
| At 31 October 2021 | 2,585,704 |
| Impairment | |
| At 1 November 2020 | 447,405 |
| Other movements | 2,138,299 |
| At 31 October 2021 | 2,585,704 |
| Carrying amount | |
| At 31 October 2021 | — |
| At 31 October 2020 | 1,124,835 |

8. Debtors

| | 2021 £ | 2020 £ |
|---|---------------|-----------|
| Amounts owed by group undertakings and undertakings in which the company has a participating interest | 6,017 | 19,488 |
| Other debtors | 34,671 | 138,462 |
| | 40,688 | 157,950 |

9. Creditors: amounts falling due within one year

| | 2021 £ | 2020 £ |
|---------------------------------|------------------|-----------|
| Corporation tax | 12,577 | 48,313 |
| Social security and other taxes | — | 14,202 |
| Other creditors | 1,098,165 | 101,405 |

1,110,742

163,920

10. Director's advances, credits and guarantees

The amounts due to the director as at the balance sheet date was £28,931 (2020 - £1,276). This amount is interest free and repayable on demand.

11. Related party transactions

No transactions with related parties other than those elsewhere disclosed, were undertaken such as are required to be disclosed under FRS102.

12. Controlling party

The company is a wholly owned subsidiary of Hudson Foster Financial Services (Holdings) Limited , a company registered in England (Company number 5193603).

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