

REGISTERED NUMBER: 02553654 (England and Wales)

BUSINESS IN FOCUS LIMITED
STRATEGIC REPORT, REPORT OF THE DIRECTORS AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

Watts Gregory LLP
Chartered Accountants & Statutory Auditors
Elfed House
Oak Tree Court
Cardiff Gate Business Park
CARDIFF
County of Cardiff
CF23 8RS

BUSINESS IN FOCUS LIMITED

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FOR THE YEAR ENDED 31 MARCH 2020**

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BUSINESS IN FOCUS LIMITED

**COMPANY INFORMATION
FOR THE YEAR ENDED 31 MARCH 2020**

DIRECTORS:

C M Chamberlain
N Chhabria
G D Evans
J M Good
S D Hudd
R W James
J K S Jones
G F Kelly
N Phillips
C M Richards
J P Sheppard
K Thomas
V Fisher

REGISTERED OFFICE:

Unit 14/15 Bocam Park
Old Field Road
Pencoed
BRIDGEND
CF35 5LJ

REGISTERED NUMBER:

02553654 (England and Wales)

AUDITORS:

Watts Gregory LLP
Chartered Accountants & Statutory Auditors
Elfed House
Oak Tree Court
Cardiff Gate Business Park
CARDIFF
County of Cardiff
CF23 8RS

BANKERS:

Svenska Handelsbanken AB
Bocam Park
3 Old Field Road
Pencoed
BRIDGEND
CF35 5LJ

The directors present their strategic report for the year ended 31 March 2020.

1.0 PRINCIPAL ACTIVITY

The principal activity of the company continues to be the provision of business support services. The principal activity of the company continues to be the provision of business support services. Business in Focus offers business space, funding guidance, business advice and support to organisations across Wales.

2.0 BUSINESS REVIEW - PERFORMANCE DURING THE YEAR

During 2019-20 financial year our progress continued with our vision to deliver strongly on all our business services. We enhanced the work we started last year and added developing strongly to our mission. This takes our company's five year strategy forward on a sound basis.

2.1 Delivering strongly

One of the most exciting developments of the year was the purchase of a property portfolio which increased the size of our property offering by nearly 70%. The portfolio fits perfectly into our strategy for growth, delivering our five year property target with the one purchase. We invested some £8 million in acquiring 148k sq feet of office and workshop facilities and an additional 220 tenants in six sites across the Valleys in Wales and a new location in Wrexham. As well as cleaning and refurbishing the new acquisitions, our Property Team walked around all premises, introducing Business in Focus and our Neighbourhood concept to all our new tenants. The Neighbourhood provides each of our tenants with access to experienced business advisers, exclusive events, networking opportunities and to work among successful, like-minded business owners.

The strategy was effective, raising occupancy levels in the new property from 89% occupied on the completion date to 94% five months later. Meanwhile, our existing property portfolio maintained its extremely high occupancy level of 98%. One property management contract came to an end reducing our managed portfolio to two.

Delivery on existing contracts remained strong. In our fourth year delivering the Business Wales service, the team continued to deliver a high level of customer service for Welsh Government and the growing client base. Business in Focus leads a Consortium to deliver this service, with partners Antur Cymru and Serco. Together we have supported Welsh businesses to create 3,451 jobs, £13.7 million exports and facilitated the investment of £18.4 million in enterprises. We also helped to start more than 1500 new businesses. Alongside this, we delivered a number of additional projects to further support the Business Wales offering including Childcare Grant, Brexit Portal, Brexit Resilience Fund, Flood Relief Fund.

Our performance under the Welsh Government's Big Ideas Wales contract continued to be strong, supporting 382 young people with 34 starting their own business during this period. For the third year running, the success of this wide-ranging programme resulted in the award of additional budget to provide further support for entrepreneurs under 25 years old.

Our reach as the local delivery partner for the British Business Bank's Start Up Loan extended across all of Wales and during the year we have supported owners of start-up and early-stage businesses to draw down 422 loans with a total value just short of £5 million. This is a 42% increase in loans extended to support new enterprises compared to the previous year.

Activity at our new Enterprise Hubs, Focus Newtown and Focus Carmarthen grew apace with an impressive range of on line and face-to-face business events. With the support of our delivery partners Tramshed Tech, Wales Co-op, University of Wales Trinity St David's and Robert Owen Community Banking, business communities at both hubs took shape and developed. New proposals at these hubs to expand the delivery programme under the initiative 'Be the Spark' were also successful. Welsh Government's original pilot hub contract, managed by Business in Focus and based in Wrexham, was also awarded an extension into the next financial year.

Another new service also got underway. Enterprise Merthyr helps people in the local community into self-employment and has been well received both by its beneficiaries and by the funder, Welsh Government. With the welcome addition of our new Business Development Manager, we are now able to develop further our opportunities to support businesses with accommodation, finance or advice.

To support this delivery, our Marketing team built their skills to raise our profile in our business and local communities. As well as building the Focus Hub websites, the team has also increased our advertising and public relations activity across Wales. Building on this, towards the end of the year we held a workshop in partnership with the Federation of Small Businesses, where medium-sized companies and clients with aspirations to grow shared their views on the challenges and opportunities.

Our teams continued to give back to our communities, with a variety of charity events during the year. Our Team Away day in autumn 2019 was spent at the Vernon Place Community Centre in Neath, where we cleaned walls, painted old school rooms and tidied up the garden to improve the premises' use as a community facility. We also maintained our various credentials including Committed to Equality Gold.

2.2 Plans for future

With the need to address the impact of the global COVID-19 pandemic, business life could not be more different as we look beyond 2020. Improvements to the IT system finished in December 2019 enabled Business in Focus to take over 90% of its workforce to home working over the course of one week in March 2020. All Business Support services were swiftly maintained by virtual means and this mode of operation will continue into the future, supplemented when conditions allow by physical face-to-face interactions. Our premises remained open for tenants engaged in key industries or those who could not work from home, and we continue to provide information and support to help our clients through the crisis.

Our plans for the future must be as flexible as possible to continue the work in supporting our tenants and delivering government contracts for the benefit of business people. We remain focused on delivering strongly. We have improved our ability to develop strongly, with our adaptable teams taking in their stride all that the pandemic has thrown our way. We now add innovation strength to our business arsenal as we tackle delivery in an increasing virtual world - for example offering virtual viewings across our properties.

It is a major priority to ensure that all our people continue to be engaged from their remote places of work. We have always considered one of our core strengths being able to bring our whole company together for our bi-monthly business update as this, together with regular team events, supports our culture and reinforces our values.

3.0 PRINCIPAL RISKS AND UNCERTAINTIES

The management of the business and the nature of the company's strategy are subject to a number of risks.

Given the nature of the business, the principal risk continues to arise from the ability to sustain income levels as UK funding mechanisms change. Our contracts remain a vital support to business through the pandemic, and we have assurances that our current European Union funded contracts are not at any risk of being curtailed. However, we recognise the May 2021 Welsh election as well as the enacting of the UK's exit from the EU as potential contract risk areas and are working to secure new and replacement activity as opportunities arise.

At the same time, we are taking steps to reduce costs where possible and adapt the company for the changes accelerated by the Covid-19 pandemic. A recent staff consultation to make full or majority homeworking permanent for most of the team has confirmed our new way of working and enabled us to relinquish half of our headquarters office space.

Business in Focus has Board and Management structures, policies and procedures designed to enable the achievement of our business objectives while managing the risks associated with the environment within which it operates. These are kept under regular review.

4.0 DEVELOPMENT

Our teams have adapted our services for remote delivery and have seen excellent results in attendance and feedback from our business clients. We will innovate further to ensure our services are accessible to all while maintaining the quality of support and assistance valued by our clients and contracting bodies. Strong performance and service development to support bids for future replacement contracts is a clear priority.

Our Business Development Manager, supported by the Leadership Team and the knowledge of all team members, is developing our support offers to widen our reach in our business communities and create opportunities for new income streams. We also continue to develop relationships with existing and new partners to support future contract bids and the development of new opportunities.

The Leadership and Senior Management Teams have worked together well remotely and are further developing their capabilities and relationships based on a 360 appraisal process carried out earlier in 2020, to optimise leadership capability for the benefit of the company. Our Board and Committee schedules have continued largely uninterrupted by the pandemic to support the company's development for the future.

BUSINESS IN FOCUS LIMITED

**STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2020**

5.0 KEY PERFORMANCE INDICATORS - FINANCIAL

The financial performance indicators for the year were as follows:

	2019-20	2018-19
Turnover	£6,269,336	£5,295,776
Net profit before tax (excluding property fair value adjustments)	1.46%	1.72%
Property valuation June 2019	£12,525,000	
Property valuation September 2017	£11,035,000	
Property valuation September 2016	£10,615,000	

ON BEHALF OF THE BOARD:



G D Evans - Director

24 November 2020

BUSINESS IN FOCUS LIMITED

REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 MARCH 2020

The directors present their report with the financial statements of the company for the year ended 31 March 2020.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of business support services

DIVIDENDS

No dividends will be distributed for the year ended 31 March 2020.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 April 2019 to the date of this report.

C M Chamberlain
N Chhabria
G D Evans
J M Good
S D Hudd
R W James
J K S Jones
G F Kelly
N Phillips
C M Richards
J P Sheppard
K Thomas
V Fisher

Other changes in directors holding office are as follows:

D R Bevan - resigned 25 November 2019

DISCLOSURE IN THE STRATEGIC REPORT

The company has chosen in accordance with s.414C(11) Companies Act 2006 to set out in the company's strategic report information required by schedule 7 of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 to be contained in the directors' report. It has done so in respect of future developments and financial risk management.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

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). 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.

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 or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

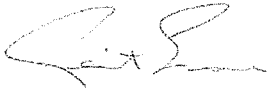
BUSINESS IN FOCUS LIMITED

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 MARCH 2020**

AUDITORS

The auditors, Watts Gregory LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:



G D Evans - Director

24 November 2020

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF BUSINESS IN FOCUS LIMITED

Opinion

We have audited the financial statements of Business in Focus Limited (the 'company') for the year ended 31 March 2020 which comprise the Profit and Loss Account, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement and Notes to the Cash Flow Statement, 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 March 2020 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The directors are responsible for the other information. The other information comprises the information in the Strategic Report and the Report of the Directors, 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 there is a material misstatement in the financial statements or a material misstatement of the other information. 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 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.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF BUSINESS IN FOCUS LIMITED

Responsibilities of directors

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

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.

Julia Mortimer (Senior Statutory Auditor)
for and on behalf of Watts Gregory LLP
Chartered Accountants & Statutory Auditors
Elfed House
Oak Tree Court
Cardiff Gate Business Park
CARDIFF
County of Cardiff
CF23 8RS

27 November 2020

BUSINESS IN FOCUS LIMITED**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2020**

	Notes	2020 £	2019 £
TURNOVER	3	6,269,336	5,295,776
Cost of sales		<u>(3,099,687)</u>	<u>(3,243,216)</u>
GROSS PROFIT		3,169,649	2,052,560
Administrative expenses		<u>(2,875,490)</u>	<u>(1,898,061)</u>
OPERATING PROFIT	5	294,159	154,499
Gain on revaluation of investment property		<u>-</u>	<u>863,157</u>
		294,159	1,017,656
Interest payable and similar expenses	6	<u>(201,682)</u>	<u>(63,622)</u>
PROFIT BEFORE TAXATION		92,477	954,034
Tax on profit	7	<u>(69,524)</u>	<u>(169,195)</u>
PROFIT FOR THE FINANCIAL YEAR		22,953	784,839
OTHER COMPREHENSIVE INCOME		<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>22,953</u>	<u>784,839</u>

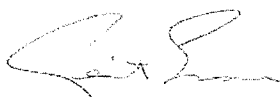
The notes form part of these financial statements

BUSINESS IN FOCUS LIMITED (REGISTERED NUMBER: 02553654)

**BALANCE SHEET
31 MARCH 2020**

	Notes	2020 £	2019 £
FIXED ASSETS			
Tangible assets	8	136,983	194,289
Investments	9	2	2
Investment property	10	<u>20,410,414</u>	<u>12,525,000</u>
		<u>20,547,399</u>	<u>12,719,291</u>
CURRENT ASSETS			
Debtors	11	1,616,528	826,087
Cash at bank and in hand		<u>358,346</u>	<u>226,043</u>
		1,974,874	1,052,130
CREDITORS			
Amounts falling due within one year	12	<u>(2,124,567)</u>	<u>(1,743,950)</u>
NET CURRENT LIABILITIES		<u>(149,693)</u>	<u>(691,820)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		20,397,706	12,027,471
CREDITORS			
Amounts falling due after more than one year	13	(9,798,701)	(1,548,631)
PROVISIONS FOR LIABILITIES	17	<u>(871,651)</u>	<u>(774,439)</u>
NET ASSETS		<u>9,727,354</u>	<u>9,704,401</u>
RESERVES			
Revaluation reserve		6,059,712	5,988,634
Retained earnings		<u>3,667,642</u>	<u>3,715,767</u>
		<u>9,727,354</u>	<u>9,704,401</u>

The financial statements were approved by the Board of Directors and authorised for issue on 24 November 2020 and were signed on its behalf by:



G D Evans - Director

BUSINESS IN FOCUS LIMITED**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2020**

	Retained earnings £	Revaluation reserve £	Total equity £
Balance at 1 April 2018	3,647,348	5,272,214	8,919,562
Changes in equity			
Total comprehensive income	784,839	-	784,839
Revaluation of investment properties	(863,157)	863,157	-
Deferred tax on investment properties	146,737	(146,737)	-
	<u>3,715,767</u>	<u>5,988,634</u>	<u>9,704,401</u>
Balance at 31 March 2019			
	<u>3,715,767</u>	<u>5,988,634</u>	<u>9,704,401</u>
Changes in equity			
Total comprehensive income	22,953	-	22,953
Deferred tax on investment properties	(71,078)	71,078	-
	<u>3,667,642</u>	<u>6,059,712</u>	<u>9,727,354</u>
Balance at 31 March 2020			
	<u>3,667,642</u>	<u>6,059,712</u>	<u>9,727,354</u>

The notes form part of these financial statements

BUSINESS IN FOCUS LIMITED**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2020**

	Notes	2020 £	2019 £
Cash flows from operating activities			
Cash generated from operations	1	336,043	425,198
Interest paid		(201,682)	(63,622)
Tax paid		<u>(23,311)</u>	<u>(17,202)</u>
Net cash from operating activities		<u>111,050</u>	<u>344,374</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		-	(33,316)
Purchase of investment property		<u>(7,885,414)</u>	<u>(626,843)</u>
Net cash from investing activities		<u>(7,885,414)</u>	<u>(660,159)</u>
Cash flows from financing activities			
New loans in year		7,934,728	650,000
Loan repayments in year		-	(93,268)
Capital repayments in year		<u>(28,061)</u>	<u>(28,060)</u>
Net cash from financing activities		<u>7,906,667</u>	<u>528,672</u>
Increase in cash and cash equivalents		132,303	212,887
Cash and cash equivalents at beginning of year	2	<u>226,043</u>	<u>13,156</u>
Cash and cash equivalents at end of year	2	<u><u>358,346</u></u>	<u><u>226,043</u></u>

The notes form part of these financial statements

BUSINESS IN FOCUS LIMITED

**NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2020**

1. RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS

	2020	2019
	£	£
Profit before taxation	92,477	954,034
Depreciation charges	46,859	68,221
Loss on disposal of fixed assets	10,447	-
Gain on revaluation of fixed assets	-	(863,157)
Increase in provisions	40,000	175,000
Finance costs	<u>201,682</u>	<u>63,622</u>
	391,465	397,720
(Increase)/decrease in trade and other debtors	(790,441)	456,313
Increase/(decrease) in trade and other creditors	<u>735,019</u>	<u>(428,835)</u>
Cash generated from operations	<u><u>336,043</u></u>	<u><u>425,198</u></u>

2. 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 March 2020

	31/3/20	1/4/19
	£	£
Cash and cash equivalents	<u>358,346</u>	<u>226,043</u>

Year ended 31 March 2019

	31/3/19	1/4/18
	£	£
Cash and cash equivalents	226,043	56,946
Bank overdrafts	-	(43,790)
	<u>226,043</u>	<u>13,156</u>

3. ANALYSIS OF CHANGES IN NET DEBT

	At 1/4/19	Cash flow	At 31/3/20
	£	£	£
Net cash			
Cash at bank and in hand	<u>226,043</u>	<u>132,303</u>	<u>358,346</u>
	<u>226,043</u>	<u>132,303</u>	<u>358,346</u>
Debt			
Finance leases	(62,263)	28,061	(34,202)
Debts falling due within 1 year	(745,201)	332,040	(413,161)
Debts falling due after 1 year	(1,516,095)	(8,266,768)	(9,782,863)
	<u>(2,323,559)</u>	<u>(7,906,667)</u>	<u>(10,230,226)</u>
Total	<u><u>(2,097,516)</u></u>	<u><u>(7,774,364)</u></u>	<u><u>(9,871,880)</u></u>

The notes form part of these financial statements

1. STATUTORY INFORMATION

Business in Focus Limited is a private company, limited by guarantee, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

The company's functional and presentational currency in the financial statements is Sterling (£), rounded to the nearest pound.

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

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 as modified by the revaluation of certain assets.

There have been no material departures from Financial Reporting Standard 102.

Going concern

The company had net current liabilities at the reporting date of £149,693 (2019 - £691,820). The directors are confident that the company can meet its day to day working capital requirements. A significant portion of their current liabilities is in respect of a mortgage on their extensive property portfolio, which is repayable in instalments over the course of the next twelve months.

Further, the directors are satisfied that despite the Coronavirus pandemic, it is appropriate for the company's financial statements to be prepared on a going concern basis. The pandemic has resulted in a number of uncertainties arising and the directors have taken steps to minimise the effect on the company and will continue to do so. In the circumstances they have concluded that no adjustments are required to the financial statements at this time.

Preparation of consolidated financial statements

The financial statements contain information about Business in Focus Limited as an individual company and do not contain consolidated financial information as the parent of a group. The company has chosen not to consolidate in accordance with S405(2) of the Companies Act 2006 on the basis that the inclusion of the subsidiaries is not material for the purpose of giving a true and fair view.

2. ACCOUNTING POLICIES - continued

Significant judgements and estimates

Estimates and judgements are continually evaluated and are based on historical experience and other relevant factors, including expectations of future events that are believed to be reasonable under the circumstances.

The preparation of the financial statements requires management to make estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, be likely to differ from the related actual results. The estimates and assumptions that have significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

Recognition of income

Turnover represents the fair value of services provided during the year under review on client assignments. Turnover is recognised as contract activity progresses and the right to consideration is earned. This represents a risk as the turnover recognised is based on the company's assessment of the time spent, skills and expertise provided.

Provision for impairment of trade debtors

The financial statements include a provision for impairment of trade debtors based on management's estimation of recoverability. There is a risk that the provision will not match the trade debtors that ultimately prove to be irrecoverable.

Depreciation

The assets are depreciated down to their estimated residual values over their estimated useful lives. Judgement is used to determine the useful economic lives and residual values of tangible fixed assets.

Property valuation

Investment properties have been valued by an independent expert, based on knowledge of the local area and review of comparable properties within that area. This represents a risk as there is the possibility that the actual value of the properties will not match the valuation in the accounts.

Provisions

Provisions are recognised when the company has a present obligation (legal or constructive) as a result of a past event, it is probable that the company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation. Cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided at the following annual rates in order to write off each asset over its estimated

Plant and machinery	- 10 - 33.33% on cost
Fixtures and fittings	- 10 - 33.33% on cost

Investments in subsidiaries

Investments in subsidiary undertakings are recognised at cost.

Investment property

Investment property is shown at fair value. Any aggregate surplus or deficit arising from changes in fair value is recognised in the profit and loss account.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Profit and Loss Account, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

2. **ACCOUNTING POLICIES - continued**

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

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

Operating leases

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is shorter.

The interest element of those obligations is charged to profit or loss over the relevant period. The capital element of the future payments is treated as a liability.

Employee benefits

When employees have rendered service to the company, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

Termination benefits

Termination benefits are payable when employment is terminated by the company before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The company recognises termination benefits when it is demonstrably committed to either (i) terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal or (ii) providing termination benefits as a result of an offer made to encourage voluntary redundancy.

Non-derivative financial instruments

Non-derivative financial instruments comprise trade and other debtors, cash and cash equivalents, trade and other creditors and interest free loans.

Unless otherwise stated, the carrying value of the company's financial assets and liabilities are a reasonable approximation of their fair values.

Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the profit and loss account in other administrative expenses.

Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at bank and in hand. For the purpose of the cash flow statement, cash and cash equivalents are net of bank overdrafts which are repayable on demand.

3. **TURNOVER**

The turnover and profit before taxation are attributable to the one principal activity of the company.

An analysis of turnover by class of business is given below:

	2020	2019
	£	£
Rendering of services	4,411,600	3,971,476
Rental income	<u>1,857,736</u>	<u>1,324,300</u>
	<u>6,269,336</u>	<u>5,295,776</u>

4. **EMPLOYEES AND DIRECTORS**

	2020	2019
	£	£
Wages and salaries	3,120,128	2,773,871
Social security costs	290,504	295,646
Other pension costs	<u>187,782</u>	<u>166,726</u>
	<u>3,598,414</u>	<u>3,236,243</u>

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

	2020	2019
Senior management team	9	7
Contract and delivery staff	97	89
Support staff	<u>7</u>	<u>8</u>
	<u>113</u>	<u>104</u>

	2020	2019
	£	£
Directors' remuneration	91,355	82,191
Directors' pension contributions to money purchase schemes	<u>7,036</u>	<u>6,339</u>

The number of directors to whom retirement benefits were accruing was as follows:

Money purchase schemes	<u>1</u>	<u>1</u>
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With the exception of the Executive Director, no board members receive any remuneration.

5. **OPERATING PROFIT**

The operating profit is stated after charging:

	2020	2019
	£	£
Depreciation - owned assets	35,832	31,462
Depreciation - assets on hire purchase contracts	11,027	36,759
Loss on disposal of fixed assets	10,447	-
Auditors' remuneration	6,990	6,958
Operating lease rentals	<u>127,046</u>	<u>126,108</u>

6. INTEREST PAYABLE AND SIMILAR EXPENSES

	2020	2019
	£	£
Bank loan interest	197,234	59,174
Hire purchase interest	4,448	4,448
	<u>201,682</u>	<u>63,622</u>

7. TAXATION

Analysis of the tax charge

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

	2020	2019
	£	£
Current tax:		
UK corporation tax	12,313	22,669
Prior year under provision	-	642
Total current tax	12,313	23,311
Deferred tax	57,211	145,884
Tax on profit	<u>69,524</u>	<u>169,195</u>

Reconciliation of total tax charge included in profit and loss

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	2020	2019
	£	£
Profit before tax	<u>92,477</u>	<u>954,034</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2019 - 19%)	17,571	181,266
Effects of:		
Expenses not deductible for tax purposes	8,836	1,527
Utilisation of tax losses	(27,405)	-
Adjustments to tax charge in respect of previous periods investment properties	-	3,256
Change of deferred tax rate	<u>70,522</u>	<u>(16,854)</u>
Total tax charge	<u>69,524</u>	<u>169,195</u>

8. TANGIBLE FIXED ASSETS

	Plant and machinery £	Fixtures and Fittings £	Totals £
COST			
At 1 April 2019	189,975	299,743	489,718
Disposals	<u>(24,770)</u>	<u>-</u>	<u>(24,770)</u>
At 31 March 2020	<u>165,205</u>	<u>299,743</u>	<u>464,948</u>
DEPRECIATION			
At 1 April 2019	116,681	178,748	295,429
Charge for year	17,242	29,617	46,859
Eliminated on disposal	<u>(14,323)</u>	<u>-</u>	<u>(14,323)</u>
At 31 March 2020	<u>119,600</u>	<u>208,365</u>	<u>327,965</u>
NET BOOK VALUE			
At 31 March 2020	<u>45,605</u>	<u>91,378</u>	<u>136,983</u>
At 31 March 2019	<u>73,294</u>	<u>120,995</u>	<u>194,289</u>

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	Fixtures and Fittings £
COST	
At 1 April 2019 and 31 March 2020	<u>110,275</u>
DEPRECIATION	
At 1 April 2019	58,613
Charge for year	<u>11,027</u>
At 31 March 2020	<u>69,640</u>
NET BOOK VALUE	
At 31 March 2020	<u>40,635</u>
At 31 March 2019	<u>51,662</u>

9. FIXED ASSET INVESTMENTS

	Shares in group undertakings £
COST	
At 1 April 2019 and 31 March 2020	<u>2</u>
NET BOOK VALUE	
At 31 March 2020	<u>2</u>
At 31 March 2019	<u>2</u>

9. FIXED ASSET INVESTMENTS - continued

The company owns 100% of the equity share capital of Cardiff & Vale Enterprise International Limited (2019: 100%), whose registered office is Enterprise House, 127 Bute Street, Cardiff Bay, Cardiff, CF10 5LE. Cardiff & Vale International Limited is a dormant company incorporated in the UK and at the year end the capital and reserves of the company were £nil (2019: £nil).

The company owns 100% of the equity share capital of Enterprise Taff Ely Ogwr Partnership Limited (2019: 100%), whose registered office is Enterprise Centre, Tondu, Bridgend, Mid Glamorgan, CF32 9BS. Enterprise Taff Ely Ogwr Limited is a dormant company incorporated in the UK and at the year end the capital and reserves of the company were £1 (2019: £1).

10. INVESTMENT PROPERTY

FAIR VALUE	Total £
At 1 April 2019	
Additions	12,525,000
	<u>7,885,414</u>
At 31 March 2020	<u>20,410,414</u>
NET BOOK VALUE	
At 31 March 2020	<u>20,410,414</u>
At 31 March 2019	<u>12,525,000</u>

Fair value at 31 March 2020 is represented by:

Valuation in 2019	£ <u>20,410,414</u>
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If investment properties had not been revalued they would have been included at the following historical cost:

	2020 £	2019 £
Cost	<u>13,817,615</u>	<u>5,932,201</u>

The company's investment properties (excluding one long leasehold property and properties purchased in the year ended 31 March 2020) were valued at a market value of £11,250,000 in July 2019 by Savills (UK) Limited, Chartered Surveyors. The valuation was based on local knowledge, and the market value of similar properties within the area. The directors have reviewed the value of the long leasehold property at 31 March 2020, and consider the value of £1,275,000 to still be an accurate valuation for the financial statements. During the year the company purchased several properties for £7,885,414 giving a total value of £20,410,414.

Included within the net book value of the investment properties is capitalised interest costs of £119,773 (2018: £119,773).

11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020 £	2019 £
Trade debtors	119,511	105,408
Other debtors	1,290,967	589,226
Prepayments and accrued income	<u>206,050</u>	<u>131,453</u>
	<u>1,616,528</u>	<u>826,087</u>

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020	2019
	£	£
Bank loans and overdrafts (see note 14)	413,161	95,201
Other loans (see note 14)	-	650,000
Hire purchase contracts (see note 15)	18,364	29,727
Trade creditors	338,994	126,936
Amounts owed to group undertakings	1	1
Corporation tax	12,313	23,311
Social security and other taxes	67,514	71,272
VAT	272,945	219,562
Other creditors	272,292	106,661
Accruals and deferred income	728,983	421,279
	<u>2,124,567</u>	<u>1,743,950</u>

13. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2020	2019
	£	£
Bank loans (see note 14)	9,782,863	1,516,095
Hire purchase contracts (see note 15)	15,838	32,536
	<u>9,798,701</u>	<u>1,548,631</u>

14. LOANS

An analysis of the maturity of loans is given below:

	2020	2019
	£	£
Amounts falling due within one year or on demand:		
Bank loans	413,161	95,201
Other loans	-	650,000
	<u>413,161</u>	<u>745,201</u>
Amounts falling due between one and two years:		
Bank loans - 1-2 years	<u>423,322</u>	<u>98,877</u>
Amounts falling due between two and five years:		
Bank loans	<u>1,360,063</u>	<u>315,960</u>
Amounts falling due in more than five years:		
Repayable by instalments		
Bank loans	<u>7,999,478</u>	<u>1,101,258</u>

15. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

	Hire purchase contracts	
	2020	2019
	£	£
Net obligations repayable:		
Within one year	18,364	29,727
Between one and five years	<u>15,838</u>	<u>32,536</u>
	<u>34,202</u>	<u>62,263</u>
	Non-cancellable operating leases	
	2020	2019
	£	£
Within one year	73,614	118,826
Between one and five years	<u>1,635</u>	<u>79,603</u>
	<u>75,249</u>	<u>198,429</u>

16. SECURED DEBTS

The following secured debts are included within creditors:

	2020	2019
	£	£
Bank loans	10,196,024	1,611,296
Hire purchase contracts	<u>34,202</u>	<u>62,263</u>
	<u>10,230,226</u>	<u>1,673,559</u>

Handelsbanken have a fixed charge over the company's investment properties and a floating charge over the company's remaining assets.

Hire purchased liabilities are secured on the assets to which the agreement relates.

17. PROVISIONS FOR LIABILITIES

	2020	2019
	£	£
Deferred tax	656,651	599,439
Other provisions	<u>215,000</u>	<u>175,000</u>
	<u>871,651</u>	<u>774,439</u>
		Deferred tax
		£
Balance at 1 April 2019		599,439
Provided during year		<u>57,212</u>
Balance at 31 March 2020		<u>656,651</u>

BUSINESS IN FOCUS LIMITED**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2020****17. PROVISIONS FOR LIABILITIES - continued**

The deferred tax balance at the year end is represented as follows:

	2019 £	2019 £
Fixed asset timing differences	(12,666)	(4,724)
Revaluation of investment property	675,242	604,163
Short term timing differences	(5,925)	-
	<u>656,651</u>	<u>599,439</u>

Other provisions include an estimate of the future contractual liabilities relating to a number of contract obligations Business in Focus has entered. These provisions are expected to be utilised over the next 3 years.

18. PENSION COMMITMENTS

During the year the company contributed £185,106 (2019: £166,726) into defined contribution pension schemes. At 31 March 2020 there was £41,604 (2019: £nil) outstanding.

19. RELATED PARTY DISCLOSURES

During the year the company entered into the following transactions with its related parties:

Related party	Nature of transaction	2020 £	2019 £
Key management personnel	Remuneration	260,728	236,895
Other related parties	Professional fees	105,945	28,755
Balances at 31 March			
Entities under control of the entity	Creditor	1	1
Other related parties		20,454	1

Other related parties consist of transactions and balances with Morgan Denton Jones Limited (common director - J K S Jones), Verve Management Limited (common director - K Thomas) and Geldards LLP (common director - R W James).