

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 2022**

BUSINESS IN FOCUS LIMITED

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FOR THE YEAR ENDED 31 MARCH 2022**

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BUSINESS IN FOCUS LIMITED

**COMPANY INFORMATION
FOR THE YEAR ENDED 31 MARCH 2022**

DIRECTORS:	G D Evans R W James J K S Jones N Phillips C M Richards K Thomas V Fisher A Bridson P A Jones
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 2022.

1.0 Principal activity

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

The 2021/22 financial year began with the country adapting to the easing of COVID-19 restrictions and grappling with the changing requirements arising from the UK's formal withdrawal from the European Union. Our teams formalised the new working model that resulted in our service delivery remaining as home-based and virtual except where services are location specific or physical face to face interactions are needed for inclusion or effective delivery. This model also covers our premises where the safety and wellbeing of our people, tenants and clients are supported with comprehensive risk management procedures in place.

The organisation successfully transitioned through a significant change as our Chief Executive since August 2013, Katy Chamberlain, announced her intention to boldly go into retirement at the end of September 2021. Katy led the organisation through significant growth during her tenure, taking the organisation successfully from an enterprise with a turnover of £3.85m, net balance sheet value of £6.3m and staff numbers of 75 to an enterprise officially categorised as medium entity, dealing with 22 contracts per year including the delivery of one the largest Welsh Government service contracts, Business Wales.

The Board assisted by the HR Manager and a panel of staff representatives selected Phil Jones, at the time the Director of The Prince's Trust in Wales as the new Chief Executive. Phil joined us in October 2021. Since then, Phil has championed a new strategic development plan to be shared with our stakeholders and external colleagues next financial year. We also have an interim strategy to focus the team's work and provide clarity to colleagues over the next 12 months. This work, together with additional resource to reinforce the leadership team and other core capabilities has helped to ensure that our contracted delivery remained strong across all areas.

2.1 Delivering strongly

During 2021-22 the property team managed the investment portfolio of 17 properties dealing with over 500 tenants renting our offices and workshops. Occupancy averaged 97.9% over the year with 11 of the 17 properties delivering 100% occupancy. Plans are progressing with the proposed development on existing land in Abercynon to add a further 6 industrial units to our portfolio.

The sixth year delivering the Business Wales advisory service continued its theme to develop and innovate its service to meet the challenges faced by individuals and the business community. The significant external factors facing businesses included the pandemic and the economy adjusting to a Post EU environment. We experienced highs and lows as Covid restrictions were lowered only for them to be re-introduced as the Omicron variant arrived in late November. During this time service delivery was further enhanced through additional webinar topics to reflect specific issues eg marketing, recruitment and retention as well as flexibility in their format and scheduling e.g., at weekends and evenings. The team also started to return to some elements of face-to-face support when regulation allowed.

During the year we supported over 3,700 Welsh businesses and 2,784 individuals to start or grow their business. In the course of this delivery, we helped to create 2,642 jobs, safeguard 2,399 jobs, generate £27.9 million exports and facilitated the investment of £22.4 million in enterprises. We also established 212 mentoring relationships driving the contract total to 1,495. Business Wales launched new initiatives including, The Disabled Persons Employability Advisors, two Barriers to Start Up grants, the Town Centre Entrepreneurship Fund (North Wales) and extended our activity in the Foundational Economy and Supply Chain. In the last quarter, we devised and launched five specific projects for Legal and Childcare sector, Net Zero Carbon initiative, Diversity and Supply Chain mapping.

Our performance under the Welsh Government's Big Ideas Wales contract continued to be strong, supporting 331 young people to learn the skills to start their own business. For the fifth 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. We added to our advisory team and worked with government colleagues to finalise a unified programme of support for the Young Persons Guarantee initiative. The Bootcamp webinars and online activities continued to attract some of the biggest attendance numbers. We held our first Black, Asian Minority Ethnic Boot-camp in July 2021.

Our reach as the local delivery partner for the British Business Bank's Start Up Loan extended across all of Wales. During the year we overhauled the client processes to maximise productivity for the contract. We supported owners of start-up and early-stage businesses to complete over 300 loans totalling £3,869,906.

BUSINESS IN FOCUS LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2022

Following the 2020 reconfiguration of the Focus Carmarthen and Focus Newtown service to online delivery, engagement events and individuals receiving support KPIs exceeded their targets this year. The gradual relaxation of COVID restrictions enabled onsite support to restart with a range of business advisers available throughout the period. Welsh Government's original pilot hub contract, managed by Business in Focus and based in Wrexham, was awarded a further extension into the next financial year, alongside the two hubs in Carmarthen and Newtown.

We also opened a new Carmarthen town centre hub, a Business in Focus funded premises, branded 'Carmarthen Shared Spaces'. This successful launch was followed by another equally successful venture, Shared Spaces Haverfordwest. This facility opened in the town centre and included a test trading unit. Within a few weeks, the test trading unit was fully booked through to December 2022. We also delivered a pop-up shop in Barry town centre where received a record footfall of 950 people in December 2021. These spaces extend and complement the services offered through the existing hub network.

To support our business delivery, our Marketing team continues to make significant progress in raising our profile through extensive press and media coverage using a range of mediums. In addition, the final quarter of financial year saw the Marketing team deliver the Resource Efficiency marketing campaign for Welsh Government. A significant and challenging project that was well received.

With a comprehensive bid process led by the Business Development Manager, we were the successful recipients of thirteen Community Renewal Fund (CRF) projects across the local authorities of Wales. Originally intended to start in Summer 2021, we received the go ahead in late Autumn 2021. Recruitment activity led by the Human Resources Team ramped up into overdrive and from November 2021 we appointed over 40 new employees bringing our headcount to 155, no mean feat in the challenging market.

And finally, not only did we retain our Gold status for Investors in People, we also improved our results. We also decided that the Investors in Wellbeing was a worthwhile next step, so we submitted our evidence and crossed our fingers. We did well, obtaining Gold standard. What an achievement, we are so proud to be part of a work family that takes great care of its employees and is rightfully proud of its work.

2.2 Plans for future

Supported by our dedicated and experienced Board, we were fortunate to weather another challenging year. We are in awe of our employees' abilities to innovate and transform in a continuing unsettling social and economic environment. Reflecting on our progress, we continue to prove our ability to innovate and adapt effectively at speed.

This innovation underpins our collective skill to shape a stronger future where our plans must be as flexible as possible to continue the work in supporting our tenants, delivering government contracts for the benefit of Welsh business people and meet the challenge of re-tendering for several of our existing contracts.

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 the business and we have assurances that our current European Union funded contracts are not at any risk of being curtailed - indeed most have been extended in the 2023/24 financial year.

We recognise that the financial and economic impact from the UK and Welsh Governments' funding to support employees and businesses through the pandemic will affect future funding opportunities. The recent political turmoil, increasing costs of living and rising interest rates bring additional risks to those we face in delivering business support services. In response, we continue to widen our business development activity to secure both new and replacement opportunities with the Community Renewal Fund projects one of the latest successes.

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

The local, UK national and global environment in which we deliver our work and in which entrepreneurs and businesses in Wales seek to thrive is increasingly volatile, uncertain, complex and ambiguous. Our social purpose, the reason we exist, is therefore as compelling and relevant as ever. The commercial and contractual opportunities through which that social purpose is achieved remain and are wide-ranging and well suited to our expertise. Against this background, our development priority this year has been creating the circumstances for a sustainable and balanced path to future success. With the full support from our Board, this has included vital extra resourcing of our critical capabilities, increased use of digital solutions and additional investment in our leadership. This re-balancing will help mitigate against the numerous risks to our business in an uncertain world, will strengthen our commercial and contractual potential and thus our ability to fulfil our social purpose of releasing the entrepreneurial potential in all of us and enriching lives.

BUSINESS IN FOCUS LIMITED

**STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2022**

5.0 KEY PERFORMANCE INDICATORS - FINANCIAL

The financial performance indicators for the year were as follows:

	2021-22	2020-21
Turnover	£7,381,388	£6,684,984
Net profit before tax (excluding property fair value adjustments)	1.5%	4.9%
Property valuation latest	£25,375,000	£20,410,414

ON BEHALF OF THE BOARD:

.....
G D Evans - Director

Date: 2nd December 2022.....

BUSINESS IN FOCUS LIMITED

REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 MARCH 2022

The directors present their report with the financial statements of the company for the year ended 31 March 2022.

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 2022.

DIRECTORS

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

G D Evans
R W James
J K S Jones
N Phillips
C M Richards
K Thomas
V Fisher
A Bridson

Other changes in directors holding office are as follows:

C M Chamberlain - resigned 1 November 2021
J M Good - resigned 4 October 2021
S D Hudd - resigned 25 January 2022
J P Sheppard - resigned 25 January 2022
P A Jones - appointed 1 November 2021

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 2022**

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

Date: 2nd December 2022
.....

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 2022 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 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 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

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

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. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern in exceptional or unforeseen circumstances.

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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and the 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.

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

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 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.

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

Based on our understanding of both the company and industry, we identified the principal risks of non-compliance with laws and regulations, including those related to UK tax legislation and considered the extent to which any non-compliance might have on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006 and ensured that all those involved in the audit undergo regular update training, including on how to identify or recognise fraud and non-compliance with laws and regulations.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to posting inaccurate journals and management bias in accounting estimates. We addressed these risks by carrying out specifically targeted procedures, which included:

- discussions with management, including consideration of any known or suspected instances of non-compliance with laws and regulations and/or fraud;
- reading minutes of meetings of those charged with governance;
- the appropriateness of journal entries and other adjustments;
- evaluating the reasons for any large or unusual transactions;
- reviewing disclosures in the financial statements to underlying supporting documentation
- challenging management in relation to significant accounting estimates

As outlined above, reasonable assurance is a high level of assurance, but is not a guarantee that a material misstatement may always be detected. The extent to which our procedures are capable of detecting material misstatements or irregularities, including fraud, is therefore subject to the inherent limitations of an audit. There is therefore, an unavoidable risk that a material misstatement may not come to light, in particular, where non-compliance with laws and regulations are remote from events and transactions reflected in the financial statements or where fraud or errors arise due to intentional misrepresentation, forgery, concealment, management override and/or collusion.

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.

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

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

Date: 6th December 2022

BUSINESS IN FOCUS LIMITED**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2022**

	Notes	2022 £	2021 £
TURNOVER	3	7,381,388	6,684,984
Cost of sales		<u>(2,823,574)</u>	<u>(3,195,627)</u>
GROSS PROFIT		4,557,814	3,489,357
Administrative expenses		<u>(4,155,479)</u>	<u>(3,010,306)</u>
		402,335	479,051
Other operating income	4	<u>663</u>	<u>150,344</u>
OPERATING PROFIT	6	402,998	629,395
Gain on revaluation of investment property		<u>4,964,586</u>	<u>-</u>
		5,367,584	629,395
Interest payable and similar expenses	7	<u>(290,279)</u>	<u>(298,776)</u>
PROFIT BEFORE TAXATION		5,077,305	330,619
Tax on profit	8	<u>(1,468,487)</u>	<u>(65,241)</u>
PROFIT FOR THE FINANCIAL YEAR		3,608,818	265,378
OTHER COMPREHENSIVE INCOME		<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u><u>3,608,818</u></u>	<u><u>265,378</u></u>

The notes form part of these financial statements

BUSINESS IN FOCUS LIMITED (REGISTERED NUMBER: 02553654)**BALANCE SHEET
31 MARCH 2022**

	Notes	2022 £	2021 £
FIXED ASSETS			
Intangible assets	9	82,902	91,268
Tangible assets	10	70,063	88,929
Investments	11	2	2
Investment property	12	25,375,000	20,410,414
		<u>25,527,967</u>	<u>20,590,613</u>
CURRENT ASSETS			
Debtors	13	1,564,318	1,035,868
Cash at bank and in hand		401,582	892,474
		<u>1,965,900</u>	<u>1,928,342</u>
CREDITORS			
Amounts falling due within one year	14	(2,224,912)	(1,853,169)
NET CURRENT (LIABILITIES)/ASSETS		<u>(259,012)</u>	<u>75,173</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		25,268,955	20,665,786
CREDITORS			
Amounts falling due after more than one year	15	(9,215,589)	(9,665,833)
PROVISIONS FOR LIABILITIES	19	(2,451,816)	(1,007,221)
NET ASSETS		<u>13,601,550</u>	<u>9,992,732</u>
RESERVES			
Revaluation reserve		9,285,605	6,059,712
Retained earnings		4,315,945	3,933,020
		<u>13,601,550</u>	<u>9,992,732</u>

The financial statements were approved by the Board of Directors and authorised for issue on
...2nd December 2022..... and were signed on its behalf by:

.....
G D Evans - Director

The notes form part of these financial statements

BUSINESS IN FOCUS LIMITED**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2022**

	Retained earnings £	Revaluation reserve £	Total equity £
Balance at 1 April 2020	3,667,642	6,059,712	9,727,354
Changes in equity			
Total comprehensive income	265,378	-	265,378
Balance at 31 March 2021	<u>3,933,020</u>	<u>6,059,712</u>	<u>9,992,732</u>
Changes in equity			
Total comprehensive income	382,925	3,225,893	3,608,818
Balance at 31 March 2022	<u><u>4,315,945</u></u>	<u><u>9,285,605</u></u>	<u><u>13,601,550</u></u>

The notes form part of these financial statements

BUSINESS IN FOCUS LIMITED**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2022**

	Notes	2022 £	2021 £
Cash flows from operating activities			
Cash generated from operations	1	341,007	915,627
Interest paid		(290,279)	(298,776)
Tax paid		(65,305)	(12,313)
Net cash from operating activities		<u>(14,577)</u>	<u>604,538</u>
Cash flows from investing activities			
Purchase of intangible fixed assets		-	(101,409)
Purchase of tangible fixed assets		(29,664)	-
Net cash from investing activities		<u>(29,664)</u>	<u>(101,409)</u>
Cash flows from financing activities			
Loan repayments in year		(434,726)	(100,981)
Capital repayments in year		(12,588)	(18,364)
Government grants		663	150,344
Net cash from financing activities		<u>(446,651)</u>	<u>30,999</u>
(Decrease)/increase in cash and cash equivalents		<u>(490,892)</u>	<u>534,128</u>
Cash and cash equivalents at beginning of year	2	892,474	358,346
Cash and cash equivalents at end of year	2	<u>401,582</u>	<u>892,474</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 2022****1. RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS**

	2022	2021
	£	£
Profit before taxation	5,077,305	330,619
Depreciation charges	56,896	53,942
Loss on disposal of fixed assets	-	4,253
Gain on revaluation of fixed assets	(4,964,586)	-
Increase in provisions	-	135,634
Government grants	(663)	(150,344)
Finance costs	290,279	298,776
	<u>459,231</u>	<u>672,880</u>
(Increase)/decrease in trade and other debtors	(528,450)	580,660
Increase/(decrease) in trade and other creditors	410,226	(337,913)
	<u>341,007</u>	<u>915,627</u>
Cash generated from operations	<u>341,007</u>	<u>915,627</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 2022

	31/3/22	1/4/21
	£	£
Cash and cash equivalents	<u>401,582</u>	<u>892,474</u>

Year ended 31 March 2021

	31/3/21	1/4/20
	£	£
Cash and cash equivalents	<u>892,474</u>	<u>358,346</u>

3. ANALYSIS OF CHANGES IN NET DEBT

	At 1/4/21	Cash flow	At 31/3/22
	£	£	£
Net cash			
Cash at bank and in hand	892,474	(490,892)	401,582
	<u>892,474</u>	<u>(490,892)</u>	<u>401,582</u>
Debt			
Finance leases	(15,838)	12,588	(3,250)
Debts falling due within 1 year	(432,460)	(12,269)	(444,729)
Debts falling due after 1 year	(9,662,583)	446,994	(9,215,589)
	<u>(10,110,881)</u>	<u>447,313</u>	<u>(9,663,568)</u>
Total	<u>(9,218,407)</u>	<u>(43,579)</u>	<u>(9,261,986)</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 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.

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.

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.

2. ACCOUNTING POLICIES - continued

Turnover

Turnover shown in the profit and loss account consists of income from property rental and business support services, exclusive of VAT. Rental income represents gross rent receivable for the year. Income from business support services is recognised as the contract activity progresses and the right to consideration is earned.

Government grants

Government grants in respect of expenditure are credited to the profit and loss accounts as the relevant expenditure is incurred. The company was in receipt of government grants during the year in respect of the "Job Retention Scheme" and other COVID-19 support tools.

Intangible assets

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Computer software is being amortised evenly over its estimated useful life of ten years.

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.

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.

2. ACCOUNTING POLICIES - continued

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:

	2022 £	2021 £
Rendering of services	4,804,962	4,305,308
Rental income	2,576,426	2,379,676
	<u>7,381,388</u>	<u>6,684,984</u>

BUSINESS IN FOCUS LIMITED**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022****4. OTHER OPERATING INCOME**

	2022	2021
	£	£
Government grants	663	150,344

5. EMPLOYEES AND DIRECTORS

	2022	2021
	£	£
Wages and salaries	3,441,681	3,157,779
Social security costs	324,768	292,098
Other pension costs	170,664	181,940
	<u>3,937,113</u>	<u>3,631,817</u>

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

	2022	2021
Senior management team	9	9
Contract and delivery staff	107	99
Support staff	7	7
	<u>123</u>	<u>115</u>

	2022	2021
	£	£
Directors' remuneration	95,552	99,286
Directors' pension contributions to money purchase schemes	6,164	7,360

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.

6. OPERATING PROFIT

The operating profit is stated after charging:

	2022	2021
	£	£
Depreciation - owned assets	24,101	32,774
Depreciation - assets on hire purchase contracts	24,429	11,027
Loss on disposal of fixed assets	-	4,253
Computer software amortisation	8,366	10,141
Auditors' remuneration	8,730	7,293
Operating lease rentals	52,885	73,614

7. INTEREST PAYABLE AND SIMILAR EXPENSES

	2022	2021
	£	£
Bank loan interest	289,699	297,471
Hire purchase interest	580	1,305
	<u>290,279</u>	<u>298,776</u>

8. TAXATION

Analysis of the tax charge

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

	2022 £	2021 £
Current tax:		
UK corporation tax	23,892	65,305
Deferred tax	1,444,595	(64)
Tax on profit	<u>1,468,487</u>	<u>65,241</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:

	2022 £	2021 £
Profit before tax	<u>5,077,305</u>	<u>330,619</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2021 - 19%)	964,688	62,818
Effects of:		
Expenses not deductible for tax purposes	273	2,423
Effect of capital allowances and depreciation	(758)	-
Change of deferred tax rate	504,284	-
Total tax charge	<u>1,468,487</u>	<u>65,241</u>

9. INTANGIBLE FIXED ASSETS

COST

At 1 April 2021
and 31 March 2022

Computer
software
£

101,409

AMORTISATION

At 1 April 2021
Amortisation for year

10,141
8,366

At 31 March 2022

18,507

NET BOOK VALUE

At 31 March 2022

82,902

At 31 March 2021

91,268

BUSINESS IN FOCUS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022**

10. TANGIBLE FIXED ASSETS

	Plant and machinery £	Fixtures and Fittings £	Totals £
COST			
At 1 April 2021	161,595	282,685	444,280
Additions	29,664	-	29,664
At 31 March 2022	<u>191,259</u>	<u>282,685</u>	<u>473,944</u>
DEPRECIATION			
At 1 April 2021	132,281	223,070	355,351
Charge for year	21,592	26,938	48,530
At 31 March 2022	<u>153,873</u>	<u>250,008</u>	<u>403,881</u>
NET BOOK VALUE			
At 31 March 2022	<u>37,386</u>	<u>32,677</u>	<u>70,063</u>
At 31 March 2021	<u>29,314</u>	<u>59,615</u>	<u>88,929</u>

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

	Fixtures and Fittings £
COST	
At 1 April 2021 and 31 March 2022	<u>110,275</u>
DEPRECIATION	
At 1 April 2021 Charge for year	<u>80,667</u> <u>24,429</u>
At 31 March 2022	<u>105,096</u>
NET BOOK VALUE	
At 31 March 2022	<u>5,179</u>
At 31 March 2021	<u>29,608</u>

11. FIXED ASSET INVESTMENTS

	Shares in group undertakings £
COST	
At 1 April 2021 and 31 March 2022	<u>2</u>
NET BOOK VALUE	
At 31 March 2022	<u>2</u>
At 31 March 2021	<u>2</u>

BUSINESS IN FOCUS LIMITED**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022****11. FIXED ASSET INVESTMENTS - continued**

The company owns 100% of the equity share capital of Cardiff & Vale Enterprise International Limited (2020: 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 (2021: £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, Tondy, 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 (2021: £1).

12. INVESTMENT PROPERTY

	Total £
FAIR VALUE	
At 1 April 2021	20,410,414
Revaluations	4,964,586
	<u>25,375,000</u>
At 31 March 2022	<u>25,375,000</u>
NET BOOK VALUE	
At 31 March 2022	<u>25,375,000</u>
At 31 March 2021	<u>20,410,414</u>

Fair value at 31 March 2022 is represented by:

Valuation in 2022	£ <u>25,375,000</u>
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If investment properties had not been revalued they would have been included at the following historical cost:

	2022 £	2021 £
Cost	<u>13,817,615</u>	<u>13,817,615</u>

The company's investment properties (excluding one long leasehold property) were valued at a market value of £24,100,000 in May 2022 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 2022, and consider the value of £1,275,000 to still be an accurate valuation for the financial statements.

Included within the net book value of the investment properties is capitalised interest costs of £119,773 (2021: £119,773).

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022 £	2021 £
Trade debtors	159,498	38,286
Other debtors	1,327,509	882,292
Prepayments and accrued income	77,311	115,290
	<u>1,564,318</u>	<u>1,035,868</u>

BUSINESS IN FOCUS LIMITED**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022****14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2022	2021
	£	£
Bank loans and overdrafts (see note 16)	444,729	432,460
Hire purchase contracts (see note 17)	3,250	12,588
Trade creditors	240,283	258,167
Amounts owed to group undertakings	1	1
Corporation tax	23,892	65,305
Social security and other taxes	87,865	75,386
VAT	274,068	218,544
Other creditors	395,156	291,602
Accruals and deferred income	755,668	499,116
	<u>2,224,912</u>	<u>1,853,169</u>

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

	2022	2021
	£	£
Bank loans (see note 16)	9,215,589	9,662,583
Hire purchase contracts (see note 17)	-	3,250
	<u>9,215,589</u>	<u>9,665,833</u>

16. LOANS

An analysis of the maturity of loans is given below:

	2022	2021
	£	£
Amounts falling due within one year or on demand:		
Bank loans	<u>444,729</u>	<u>432,460</u>
Amounts falling due between one and two years:		
Bank loans - 1-2 years	<u>456,791</u>	<u>444,728</u>
Amounts falling due between two and five years:		
Bank loans	<u>2,282,993</u>	<u>2,360,092</u>
Amounts falling due in more than five years:		
Repayable by instalments		
Bank loans	<u>6,475,805</u>	<u>6,857,763</u>

17. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

	Hire purchase contracts	
	2022	2021
	£	£
Net obligations repayable:		
Within one year	3,250	12,588
Between one and five years	-	3,250
	<u>3,250</u>	<u>15,838</u>

17. LEASING AGREEMENTS - continued

	Non-cancellable operating leases	
	2022	2021
	£	£
Within one year	51,250	52,885
Between one and five years	192,188	192,634
	<u>243,438</u>	<u>245,519</u>

18. SECURED DEBTS

The following secured debts are included within creditors:

	2022	2021
	£	£
Bank loans	9,660,318	10,095,043
Hire purchase contracts	3,250	15,838
	<u>9,663,568</u>	<u>10,110,881</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.

19. PROVISIONS FOR LIABILITIES

	2022	2021
	£	£
Deferred tax	2,101,182	656,587
Other provisions	350,634	350,634
	<u>2,451,816</u>	<u>1,007,221</u>

	Deferred tax
	£
Balance at 1 April 2021	656,587
Provided during year	1,444,595
Balance at 31 March 2022	<u>2,101,182</u>

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

	2022	2021
	£	£
Fixed asset timing differences	(28,441)	(18,656)
Revaluation of investment property	2,129,623	675,243
	<u>2,101,182</u>	<u>656,587</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.

20. PENSION COMMITMENTS

During the year the company contributed £170,664 (2021: £181,940) into defined contribution pension schemes. At 31 March 2022 there was £nil (2021: £nil) outstanding.

21. RELATED PARTY DISCLOSURES

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

Related party	Nature of transaction	2022 £	2021 £
Key management personnel	Remuneration	267,939	276,817
Other related parties	Professional fees	11,183	30,727
Balances at 31 March			
Entities under control of the entity	Creditor	1	1

Other related parties consist of transactions and balances with Morgan Denton Jones Limited (common director - J K S Jones), Geldards LLP (director is partner - R W James) and Harrison Clark Rickerbys Limited (director is partner - N Phillips)

BUSINESS IN FOCUS LIMITED**TRADING AND PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2022**

	2022		2021	
	£	£	£	£
Turnover				
Group income	34,982		41,630	
Property income	2,480,645		2,379,676	
Business Wales income	2,576,426		2,657,731	
Business services	2,289,335		1,354,091	
Business Wales other income	-		251,856	
		7,381,388		6,684,984
Cost of sales				
Business Wales wages	1,786,155		1,886,521	
Social security	175,364		178,222	
Pensions	97,013		109,562	
Business Wales costs	377,494		405,201	
Big Ideas Wales costs	-		420	
Delivery Partner cost	387,548		572,499	
Workshops - projects	-		5,392	
Events - projects	-		37,810	
		2,823,574		3,195,627
GROSS PROFIT		4,557,814		3,489,357
Other income				
Government grants		663		150,344
		4,558,477		3,639,701
Expenditure				
Rent	25,220		25,220	
Rates and water	211,619		133,403	
Insurance	229,388		170,720	
Light and heat	130,247		174,687	
Security	40,799		50,996	
Waste	62,641		51,443	
Director's salaries	94,060		92,484	
Director's social security	11,682		11,483	
Director's pension contributions	6,164		7,360	
Wages	1,561,466		1,178,774	
Social security	137,722		102,393	
Pensions	67,487		65,018	
Telephone	26,789		20,927	
Post and stationery	42,037		37,238	
Advertising	462,146		101,665	
Travelling	48,790		10,019	
Motor expenses	13,609		43,530	
Staff training	23,341		7,048	
Recruitment costs	67,137		1,206	
Repairs and renewals	347,820		296,299	
Staff welfare	19,699		12,150	
Household and cleaning	81,843		62,218	
Subcontractor fees	45,350		62,925	
Computer costs	124,981		103,611	
Sundry expenses	20,300		16,161	
Eligible or recoverable concerns	10,792		12,660	
Subscriptions	2,165		1,946	
Legal and professional fees	137,166		52,656	
Auditors' remuneration	8,730		7,293	
Amortisation of intangible fixed assets	8,366		10,141	
Depreciation of tangible fixed assets	48,530		43,801	
Profit/loss on sale of tangible fixed assets	-		4,253	
Carried forward	4,118,086	4,558,477	2,971,728	3,639,701

This page does not form part of the statutory financial statements

BUSINESS IN FOCUS LIMITED**TRADING AND PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2022**

	2022		2021	
	£	£	£	£
Brought forward	4,118,086	4,558,477	2,971,728	3,639,701
Entertainment	506		-	
Bad debts	27,663		28,549	
	<u> </u>	<u>4,146,255</u>	<u> </u>	<u>3,000,277</u>
		412,222		639,424
Finance costs				
Bank charges	9,224		10,029	
Bank loan interest	289,699		297,471	
Hire purchase interest	580		1,305	
	<u> </u>	<u>299,503</u>	<u> </u>	<u>308,805</u>
		112,719		330,619
Gain/loss on revaluation of assets				
Gain on revaluation of investment property		4,964,586		-
		<u>4,964,586</u>		<u> </u>
NET PROFIT		<u>5,077,305</u>		<u>330,619</u>

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