

**CLIFTON COMPLIANCE SERVICES LIMITED**

**DIRECTOR'S REPORT AND FINANCIAL STATEMENTS**

**FOR THE PERIOD ENDED 31 DECEMBER 2012**



SATURDAY



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COMPANIES HOUSE

**CLIFTON COMPLIANCE SERVICES LIMITED**

**COMPANY INFORMATION**

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<b>DIRECTORS</b>	W Kirk (resigned 6 September 2013) E Organ (appointed 30 September 2012)
<b>COMPANY SECRETARY</b>	T Chambers
<b>REGISTERED NUMBER</b>	06529425
<b>REGISTERED OFFICE</b>	The Pavilions Eden Park Ham Green Bristol Avon BS20 0DD
<b>INDEPENDENT AUDITORS</b>	Bishop Fleming Chartered Accountants & Statutory Auditors 16 Queen Square Bristol BS1 4NT

**CLIFTON COMPLIANCE SERVICES LIMITED**

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## **CLIFTON COMPLIANCE SERVICES LIMITED**

### **DIRECTOR'S REPORT FOR THE PERIOD ENDED 31 DECEMBER 2012**

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The director presents his report and the financial statements for the period ended 31 December 2012

#### **PRINCIPAL ACTIVITY**

The company's principal activity continues to be that of financial advisors. During the period the directors resolved to change the accounting reference date to 31 December to be consistent with the new parent company. To this end the current figures reflect the seven month period to 31 December 2012.

#### **BUSINESS REVIEW**

During the period, the company was acquired by Clifton Asset Management Plc to provide compliance services to the rest of the group.

#### **Key Performance Indicators**

Given the straightforward nature of the business, the company's directors are of the opinion that analysis using key performance indicators is not necessary for an understanding of the development, performance or position of the business.

#### **RESULTS**

The profit for the period, after taxation, amounted to £13,583 (2012 £63,423)

#### **DIRECTORS**

The directors who served during the period were

W Kirk (resigned 6 September 2013)  
E Organ (appointed 30 September 2012)

#### **COMPANY'S POLICY FOR PAYMENT OF CREDITORS**

The company follows a standard payment practice on the payment of creditors which is usually 30 to 60 days.

#### **DISCLOSURE OF INFORMATION TO AUDITORS**

The director at the time when this Director's report is approved has confirmed that

- so far as he is aware, there is no relevant audit information of which the company's auditors are unaware, and
- he has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditors are aware of that information.

#### **AUDITORS**

The auditors, Bishop Fleming, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

**CLIFTON COMPLIANCE SERVICES LIMITED**

**DIRECTOR'S REPORT  
FOR THE PERIOD ENDED 31 DECEMBER 2012**

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This report was approved by the board and signed on its behalf



**E Organ**  
Director

Date 10/10/2013

The Pavilions Eden Park  
Ham Green  
Bristol  
Avon  
BS20 0DD

## **CLIFTON COMPLIANCE SERVICES LIMITED**

### **DIRECTOR'S RESPONSIBILITIES STATEMENT FOR THE PERIOD ENDED 31 DECEMBER 2012**

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The director is responsible for preparing the Director's report and the financial statements in accordance with applicable law and regulations

Company law requires the director to prepare financial statements for each financial year. Under that law the director has 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 director must not approve the financial statements unless he is satisfied that they give a true and fair view of the state of affairs of the company and the profit or loss of the company for that period. In preparing these financial statements, the director is required to

- select suitable accounting policies and then apply them consistently,
- make judgments and accounting estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business

The director is 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 him to ensure that the financial statements comply with the Companies Act 2006. He is 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.

## **CLIFTON COMPLIANCE SERVICES LIMITED**

### **INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF CLIFTON COMPLIANCE SERVICES LIMITED**

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We have audited the financial statements of Clifton Compliance Services Limited for the period ended 31 December 2012, set out on pages 6 to 13. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

#### **RESPECTIVE RESPONSIBILITIES OF DIRECTOR AND AUDITORS**

As explained more fully in the Director's responsibilities statement, the director is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

#### **SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the director, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Director's report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

The comparative figures for the year ended 31 May 2012 have not been audited.

#### **OPINION ON FINANCIAL STATEMENTS**

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 December 2012 and of its profit for the period 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.

#### **OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006**

In our opinion the information given in the Director's report for the financial period for which the financial statements are prepared is consistent with the financial statements.

CLIFTON COMPLIANCE SERVICES LIMITED

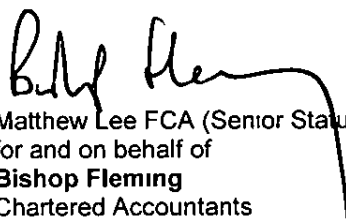
INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF CLIFTON COMPLIANCE SERVICES LIMITED

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MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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 director's remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit



Matthew Lee FCA (Senior Statutory Auditor)

for and on behalf of

**Bishop Fleming**

Chartered Accountants

Statutory Auditors

16 Queen Square

Bristol

BS1 4NT

Date

17/10/2013



CLIFTON COMPLIANCE SERVICES LIMITED

PROFIT AND LOSS ACCOUNT  
FOR THE PERIOD ENDED 31 DECEMBER 2012

	Note	7 Months to 31 December 2012 £	As restated 12 Months to 31 May 2012 £
<b>TURNOVER</b>	1,2	<b>45,215</b>	279,174
Administrative expenses		<b>(23,951)</b>	(287,948)
<b>OPERATING PROFIT/(LOSS)</b>	3	<b>21,264</b>	(8,774)
<b>EXCEPTIONAL ITEMS</b>			
Net profit on sale of tangible fixed assets	7	-	73,417
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE INTEREST</b>		<b>21,264</b>	64,643
Interest receivable and similar income		21	61
Interest payable and similar charges	6	<b>(151)</b>	(63)
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<b>21,134</b>	64,641
Tax on profit on ordinary activities	8	<b>(7,551)</b>	(1,218)
<b>PROFIT FOR THE FINANCIAL PERIOD</b>	14	<b>13,583</b>	63,423

All amounts relate to continuing operations

There were no recognised gains and losses for 2012 or 2012 other than those included in the Profit and loss account

The notes on pages 8 to 13 form part of these financial statements

**CLIFTON COMPLIANCE SERVICES LIMITED**  
**REGISTERED NUMBER 6529425**

**BALANCE SHEET**  
**AS AT 31 DECEMBER 2012**

	Note	31 December 2012 £	31 May 2012 £
<b>FIXED ASSETS</b>			
Tangible assets	9	-	2,483
<b>CURRENT ASSETS</b>			
Stocks	10	-	5,500
Debtors	11	277,782	264,710
Cash at bank		45,977	131,811
		<u>323,759</u>	<u>402,021</u>
<b>CREDITORS</b> , amounts falling due within one year	12	<u>(204,449)</u>	<u>(298,777)</u>
<b>NET CURRENT ASSETS</b>		<u>119,310</u>	<u>103,244</u>
<b>NET ASSETS</b>		<u>119,310</u>	<u>105,727</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	13	20,000	20,000
Profit and loss account	14	99,310	85,727
<b>SHAREHOLDERS' FUNDS</b>	16	<u>119,310</u>	<u>105,727</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by

  
**E Organ**  
 Director

Date 16/12/13

The notes on pages 8 to 13 form part of these financial statements

## CLIFTON COMPLIANCE SERVICES LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2012

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#### 1. ACCOUNTING POLICIES

##### 1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards

##### 1.2 CASH FLOW

The company, being a subsidiary undertaking where 90% or more of the voting rights are controlled within the group whose consolidated financial statements are publicly available, is exempt from the requirement to draw up a cash flow statement in accordance with FRS 1

##### 1.3 TURNOVER

Turnover comprises revenue recognised by the company in respect of services supplied during the period, exclusive of Value Added Tax and trade discounts

##### 1.4 TANGIBLE FIXED ASSETS AND DEPRECIATION

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases

Long Term Leasehold Property	-	25% reducing balance
Fixtures and fittings	-	25% reducing balance

##### 1.5 STOCKS AND WORK IN PROGRESS

Stocks and work in progress are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads

#### 2. TURNOVER

The whole of the turnover is attributable to the provision of financial services

All turnover arose within the United Kingdom

#### 3. OPERATING PROFIT/(LOSS)

The operating profit/(loss) is stated after charging

	7 Months to 31 December 2012 £	12 Months to 31 May 2012 £
Depreciation of tangible fixed assets - owned by the company	-	828
	<u>                    </u>	<u>                    </u>

CLIFTON COMPLIANCE SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 DECEMBER 2012

4 STAFF COSTS

Staff costs, including director's remuneration, were as follows

	7 Months to 31 December 2012 £	12 Months to 31 May 2012 £
Wages and salaries	<u>7,819</u>	<u>123,749</u>

The average monthly number of employees, including the director, during the period was as follows

	7 Months to 31 December 2012 No	12 Months to 31 May 2012 No
Administration	<u>2</u>	<u>4</u>

5 DIRECTOR'S REMUNERATION

	7 Months to 31 December 2012 £	12 Months to 31 May 2012 £
Remuneration	<u>2,513</u>	<u>7,072</u>

6 INTEREST PAYABLE

	7 Months to 31 December 2012 £	12 Months to 31 May 2012 £
On bank loans and overdrafts	<u>151</u>	<u>63</u>

7. EXCEPTIONAL ITEMS

	7 Months to 31 December 2012 £	12 Months to 31 May 2012 £
Profit on disposal of Intangible Fixed Assets	<u>-</u>	<u>73,417</u>

CLIFTON COMPLIANCE SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 DECEMBER 2012

8 TAXATION

	7 Months to 31 December 2012 £	12 Months to 31 May 2012 £
UK corporation tax charge on profit for the period/year	<u>7,551</u>	<u>1,218</u>

**FACTORS AFFECTING TAX CHARGE FOR THE PERIOD/YEAR**

The tax assessed for the period/year is higher than (2012 lower than) the standard rate of corporation tax in the UK of 24% (2012 20%) The differences are explained below

	7 Months to 31 December 2012 £	12 Months to 31 May 2012 £
Profit on ordinary activities before tax	<u>21,134</u>	<u>64,641</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 24% (2012 20%)	5,072	12,928
<b>EFFECTS OF:</b>		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	1,858	1,587
Capital allowances for period/year in excess of depreciation	596	-
Short term timing difference leading to an increase (decrease) in taxation	1,200	-
Unrelieved tax losses carried forward	-	172
Marginal relief	(969)	-
Non trading gain on intangible fixed assets	-	(13,469)
Unrelieved tax losses and other deductions in the period	(206)	-
<b>CURRENT TAX CHARGE FOR THE PERIOD/YEAR</b> (see note above)	<u>7,551</u>	<u>1,218</u>

**CLIFTON COMPLIANCE SERVICES LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 DECEMBER 2012**

**9 TANGIBLE FIXED ASSETS**

	Long Term Leasehold Property £	Fixtures and fittings £	Total £
<b>COST</b>			
At 1 June 2012	2,000	6,000	8,000
Disposals	(2,000)	(6,000)	(8,000)
At 31 December 2012	-	-	-
<b>DEPRECIATION</b>			
At 1 June 2012	1,040	4,477	5,517
On disposals	(1,040)	(4,477)	(5,517)
At 31 December 2012	-	-	-
<b>NET BOOK VALUE</b>			
At 31 December 2012	-	-	-
At 31 May 2012	960	1,523	2,483

**10. STOCKS**

	31 December 2012 £	31 May 2012 £
Work in progress	-	5,500

**11. DEBTORS**

	31 December 2012 £	31 May 2012 £
Trade debtors	169,532	157,032
Other debtors	108,250	107,678
	<u>277,782</u>	<u>264,710</u>

**CLIFTON COMPLIANCE SERVICES LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 DECEMBER 2012**

**12. CREDITORS  
AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>31 December 2012 £</b>	<b>31 May 2012 £</b>
Bank loans and overdrafts	-	4,049
Trade creditors	-	207,544
Amounts owed to group undertakings	<b>193,215</b>	-
Corporation tax	<b>8,816</b>	14,398
Other taxation and social security	-	485
Other creditors	<b>2,418</b>	72,301
	<u><b>204,449</b></u>	<u><b>298,777</b></u>

**13. SHARE CAPITAL**

	<b>31 December 2012 £</b>	<b>31 May 2012 £</b>
<b>ALLOTTED, CALLED UP AND FULLY PAID</b>		
20,000 Ordinary shares shares of £1 each	<u><b>20,000</b></u>	<u><b>20,000</b></u>

**14. RESERVES**

	<b>Profit and loss account £</b>
At 1 June 2012	<b>85,727</b>
Profit for the financial period	<b>13,583</b>
	<u><b>99,310</b></u>
At 31 December 2012	<u><b>99,310</b></u>

**15. PRIOR YEAR ADJUSTMENT**

In accordance with Application Note G - Revenue Recognition, to Financial Reporting Standard 5 the policy on the Company's turnover has been amended

In circumstances where the company acts as agents for other appointed representatives, the full amount received was previously included within turnover with the costs included within cost of sale

This amounted to £3,008,927 in the period to 31 May 2012 and the equivalent figure for 31 December 2012 would be £1,193,468

With the revised treatment in accordance with Application Note G this treatment did not follow best practice and has therefore been changed. As a result the figures for the period to 31 May 2012 have been restated

There is no impact on the reported profits in the period to 31 May 2012 or earlier periods

**CLIFTON COMPLIANCE SERVICES LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 DECEMBER 2012**

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**16. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS**

	<b>31 December 2012 £</b>	<b>31 May 2012 £</b>
Opening shareholders' funds	<b>105,727</b>	72,304
Profit for the financial period/year	<b>13,583</b>	63,423
Dividends (Note 17)	-	(30,000)
	<hr/>	<hr/>
Closing shareholders' funds	<b>119,310</b>	105,727
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**17. DIVIDENDS**

	<b>7 Months to 31 December 2012 £</b>	<b>12 Months to 31 May 2012 £</b>
Dividends paid on equity capital	-	30,000
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**18. DIRECTOR'S BENEFITS, ADVANCES, CREDIT AND GUARANTEES**

At the period end W Kirk, a director of the company, owed the company £1,542 (May 2012 £18,429)

**19. RELATED PARTY TRANSACTIONS**

The company has taken advantage of the exemption provided in FRS 8 to not disclose transactions with group entities

**20. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY**

Following the acquisition on 28 September 2012, the ultimate parent undertaking and controlling party is Clifton Asset Management plc, a company incorporated in England and Wales

Copies of the group financial statements can be obtained from Companies House, Crown Way, Cardiff CF14 3UZ