

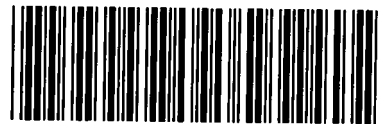
REGISTERED NUMBER: 02553654 (England and Wales)

7

BUSINESS IN FOCUS LIMITED
STRATEGIC REPORT,
REPORT OF THE DIRECTORS AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

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

TUESDAY



A19 *A8BRSØXN* #304
13/08/2019
COMPANIES HOUSE

BUSINESS IN FOCUS LIMITED

**CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

	Page
Company Information	1
Strategic Report	2
Report of the Directors	5
Report of the Independent Auditors	7
Profit and Loss Account	9
Balance Sheet	10
Statement of Changes in Equity	11
Cash Flow Statement	12
Notes to the Cash Flow Statement	13
Notes to the Financial Statements	14

BUSINESS IN FOCUS LIMITED

**COMPANY INFORMATION
FOR THE YEAR ENDED 31 MARCH 2019**

DIRECTORS:

D R Bevan
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

BUSINESS IN FOCUS LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2019

The directors present their strategic report for the year ended 31 March 2019.

PRINCIPAL ACTIVITY

The principal activity of the company continues to be the provision of business support services.

BUSINESS REVIEW - PERFORMANCE DURING THE YEAR

Throughout the 2018-19 financial year our mission was one of continuing to deliver strongly whilst developing plans for new work and operational developments to fit the company for the future. This included significant investment in new technology and increased staff resource to support our growing business activity. The Leadership Team has further developed the company's 5 year strategy, building on achievements within the financial year.

DELIVERING STRONGLY

Following the refinancing carried out in 2017-18, in late August 2018 we purchased a 5900 sq ft property in Merthyr Tydfil known locally as Crownford House. This property fits perfectly into our strategy for incremental growth, providing 18 offices over 3 floors in a central town location. It also extends our footprint in Wales. We set out to purchase the property with the target of delivering 50% occupancy within 6 months and achieved 85%. We continue our acquisition strategy into the new financial year, with a further acquisition in progress.

In our existing portfolio, our Property Team maintained its extremely high target occupancy level of 98% for our owned properties. Our managed portfolio reduced from 5 properties to 3 during the year as client relationships came to their contract end.

Delivery on existing contracts remained strong. In our third year delivering the Business Wales service on behalf of Welsh Government the team worked to embed best practice across the service to ensure a high level of customer service while securing significant outcomes for our client base. Business in Focus leads a Consortium to deliver this service, with partners Antur Teifi and Serco. Together they supported Welsh businesses to create 4111 jobs, £8 million exports and facilitated the investment of £15.8 million in enterprises, in all cases an increase on the previous year. In addition, the team supported a number of Welsh Government policy initiatives including supply chain development for Transport for Wales and a social care pilot in the South Wales Valleys.

Our performance under the Welsh Government's Big Ideas Wales contract continued to be strong, supporting 342 young people with 52 starting their own business during this period. The success of our "Equip" element of this wide-ranging programme resulted in the award of additional budget to further support young people to start their own businesses.

We also continued our work as the local delivery partner for the British Business Bank's Start Up Loan, supporting clients to draw down 298 loans with a total value of £3,618,977. This resulted in an increase of 16% in both number and value compared to the previous year.

During the year the Welsh Government tendered for the delivery of four Enterprise Hubs - co-working spaces for aspiring and established entrepreneurs who are supported by a vibrant community and comprehensive support programme. Working with new partners, Business in Focus was successful in securing two contracts and established Hubs in Newtown and Carmarthen at the start of 2019. In both cases, working with local partners, the Hubs will extend their reach and support across the Mid and West Wales regions respectively.

In addition February 2019, alongside Merthyr Tydfil County Borough Council, saw Business in Focus commencing a further Welsh Government contract to help support people within the area into self-employment.

To support the expansion in client delivery, our geographic reach and workforce we continued our work to develop the company, developing and testing new IT systems and developing our teams. In summer 2018 we achieved Investors in People Gold, a major achievement, placing us in the company of only 7% of companies with the Investors in People standard, and ninth in the UK in our sector.

BUSINESS IN FOCUS LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2019

PLANS FOR THE FUTURE

New business support contracts and an expanding property portfolio led us to review and refresh our strategy, to ensure that while extending our client base, we maintain a high quality of delivery while building for the future. A change in the leadership team provided us with the opportunity to restructure our marketing and business development activity in support of our strategic aims.

Having successfully established the two new Hubs in Newtown and Carmarthen, a key priority is to secure and grow these communities, working with our partners in each area.

Recruitment activity continued at a high level during the year, with over 25 appointments in an increasingly challenging labour market. Other changes included the implementation of a new company-wide e-learning programme and the implementation of new procedures and training to address the new requirements under GDPR.

We continue to keep our personnel up-to-date with these plans and progress through the regular engagement of our bi-monthly update presentations and drop in sessions, together with email and newsletter communications. An annual Team Away Day helps to cement the team spirit and morale across the whole company.

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 arises from the ability to sustain income levels particularly through the UK exit from the European Union. Whilst we have assurances that our current EU funded contracts are not at any risk of being curtailed, the refreshing of our five year strategy and its associated annual milestones is a key step to improving our success as we target new opportunities.

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 with a significant update undertaken during the year to ensure our readiness for the new General Data Protection Regulation effective from 25 May 2018. We prepared for the required changes to pension contributions in April 2019 and have kept pace with the Living Wage increase.

DEVELOPMENT

Our refreshed strategy will be put to the Board in the summer of 2019. Our aims are to develop our capacity and capability to enable the company to seek new work and property opportunities and bid for renewed contracts. Underpinning this is the need to continue to deliver strongly in all existing areas of work, including consolidating performance in all new areas of activity secured during the year.

The performance of the Leadership Team in working together has been further strengthened by cross-department working to establish our new areas of work. The Business in Focus culture has been further improved as we commenced an initiative to bring together all line managers in the company to build our skills and understanding. We will continue our drive for improved performance in support of our mission as a social enterprise by further developing our people, systems, profile raising and knowledge capture during 2019-20.

KEY PERFORMANCE INDICATORS - FINANCIAL

The financial performance indicators for the year were as follows:

	2018-19	2017-18
Turnover	£5,295,776	£4,759,418
Net profit before tax (excluding property fair value adjustments)	1.72%	3.3%
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

23 July 2019

BUSINESS IN FOCUS LIMITED

REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 MARCH 2019

The directors present their report with the financial statements of the company for the year ended 31 March 2019.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 April 2018 to the date of this report.

D R Bevan
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:

A M Jones - resigned 25 May 2018
C E Smith - resigned 29 January 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.

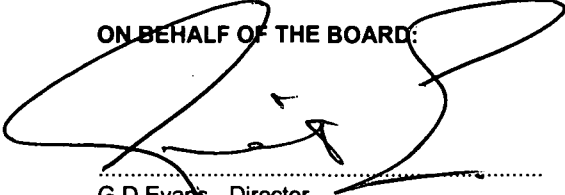
BUSINESS IN FOCUS LIMITED

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 MARCH 2019**

AUDITORS

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

ON BEHALF OF THE BOARD:

A large, stylized handwritten signature in black ink, appearing to be 'G D Evans', written over a dotted line.

G D Evans - Director

23 July 2019

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 2019 which comprise the Profit and Loss Account, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement and Notes to the Cash Flow Statement, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2019 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.

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

31 July 2019

BUSINESS IN FOCUS LIMITED**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2019**

	Notes	2019 £	2018 £
TURNOVER	3	5,295,776	4,759,418
Cost of sales		<u>(3,243,216)</u>	<u>(2,839,936)</u>
GROSS PROFIT		2,052,560	1,919,482
Administrative expenses		<u>(1,898,061)</u>	<u>(1,707,265)</u>
OPERATING PROFIT	5	154,499	212,217
Interest receivable and similar income		<u>-</u>	<u>27,617</u>
Gain on revaluation of investment property		154,499 <u>863,157</u>	239,834 <u>420,000</u>
		1,017,656	659,834
Interest payable and similar expenses	6	<u>(63,622)</u>	<u>(82,169)</u>
PROFIT BEFORE TAXATION		954,034	577,665
Tax on profit	7	<u>(169,195)</u>	<u>(6,355)</u>
PROFIT FOR THE FINANCIAL YEAR		784,839	571,310
OTHER COMPREHENSIVE INCOME		<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>784,839</u>	<u>571,310</u>

The notes form part of these financial statements

BUSINESS IN FOCUS LIMITED (REGISTERED NUMBER: 02553654)**BALANCE SHEET
31 MARCH 2019**

	Notes	2019 £	2018 £
FIXED ASSETS			
Tangible assets	8	194,289	229,194
Investments	9	2	2
Investment property	10	<u>12,525,000</u>	<u>11,035,000</u>
		<u>12,719,291</u>	<u>11,264,196</u>
CURRENT ASSETS			
Debtors	11	826,087	1,282,400
Cash at bank and in hand		<u>226,043</u>	<u>56,946</u>
		1,052,130	1,339,346
CREDITORS			
Amounts falling due within one year	12	<u>(1,743,950)</u>	<u>(1,556,396)</u>
NET CURRENT LIABILITIES		<u>(691,820)</u>	<u>(217,050)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		12,027,471	11,047,146
CREDITORS			
Amounts falling due after more than one year	13	(1,548,631)	(1,674,029)
PROVISIONS FOR LIABILITIES	18	<u>(774,439)</u>	<u>(453,555)</u>
NET ASSETS		<u>9,704,401</u>	<u>8,919,562</u>
RESERVES			
Revaluation reserve		5,988,634	5,272,214
Retained earnings		<u>3,715,767</u>	<u>3,647,348</u>
		<u>9,704,401</u>	<u>8,919,562</u>

The financial statements were approved and authorised for issue by the Board of Directors on 23 July 2019 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 2019**

	Retained earnings £	Revaluation reserve £	Total equity £
Balance at 1 April 2017	3,197,105	5,151,147	8,348,252
Changes in equity			
Total comprehensive income	571,310	-	571,310
Revaluation of investment properties	(420,000)	420,000	-
Deferred tax on investment properties	(24,058)	24,058	-
Transfer	<u>322,991</u>	<u>(322,991)</u>	-
Balance at 31 March 2018	<u>3,647,348</u>	<u>5,272,214</u>	<u>8,919,562</u>
Changes in equity			
Total comprehensive income	784,839	-	784,839
Revaluation of investment properties	(863,157)	863,157	-
Deferred tax on investment properties	<u>146,737</u>	<u>(146,737)</u>	-
Balance at 31 March 2019	<u>3,715,767</u>	<u>5,988,634</u>	<u>9,704,401</u>

The notes form part of these financial statements

BUSINESS IN FOCUS LIMITED**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2019**

		2019	2018
		£	£
Cash flows from operating activities			
Cash generated from operations	1	425,198	29,345
Interest paid		(63,622)	(82,169)
Tax paid		<u>(17,202)</u>	<u>(45,832)</u>
Net cash from operating activities		<u>344,374</u>	<u>(98,656)</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(33,316)	-
Purchase of investment property		(626,843)	-
Interest received		<u>-</u>	<u>27,617</u>
Net cash from investing activities		<u>(660,159)</u>	<u>27,617</u>
Cash flows from financing activities			
New loans in year		650,000	1,727,398
Loan repayments in year		(93,268)	(1,572,630)
Capital repayments in year		<u>(28,060)</u>	<u>(19,952)</u>
Net cash from financing activities		<u>528,672</u>	<u>134,816</u>
Increase in cash and cash equivalents		212,887	63,777
Cash and cash equivalents at beginning of year	2	<u>13,156</u>	<u>(50,621)</u>
Cash and cash equivalents at end of year	2	<u><u>226,043</u></u>	<u><u>13,156</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 2019****1. RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS**

	2019	2018
	£	£
Profit before taxation	954,034	577,665
Depreciation charges	68,221	58,109
Loss on disposal of fixed assets	-	15,359
Gain on revaluation of fixed assets	(863,157)	(420,000)
Increase in provisions	175,000	-
Finance costs	63,622	82,169
Finance income	-	(27,617)
	<u>397,720</u>	<u>285,685</u>
Decrease/(increase) in trade and other debtors	456,313	(194,741)
Decrease in trade and other creditors	<u>(428,835)</u>	<u>(61,599)</u>
Cash generated from operations	<u>425,198</u>	<u>29,345</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 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>

Year ended 31 March 2018

	31/3/18	1/4/17
	£	£
Cash and cash equivalents	56,946	148
Bank overdrafts	(43,790)	(50,769)
	<u>13,156</u>	<u>(50,621)</u>

The notes form part of these financial statements

BUSINESS IN FOCUS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

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 £691,820 (2018 - £217,050). The directors confirm that the company will have no issues in paying its liabilities as they fall due and preparation of the financial statement on the going concern basis is appropriate.

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.

BUSINESS IN FOCUS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2019**

2. ACCOUNTING POLICIES - continued

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.

Derivative financial instruments

Derivative financial instruments are initially measured at fair value on the date a derivative contract is entered into and are subsequently re-measured to fair value at each reporting end date.

Interest rate swap

Movement on the interest rate swaps are recognised in the profit and loss account in other income, with the liability being recognised in the balance sheet under creditors.

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:

	2019	2018
	£	£
Rendering of services	3,971,476	3,449,127
Rental income	1,324,300	1,310,291
	<u>5,295,776</u>	<u>4,759,418</u>

4. EMPLOYEES AND DIRECTORS

	2019	2018
	£	£
Wages and salaries	2,773,871	2,450,712
Social security costs	295,646	250,679
Other pension costs	166,726	145,632
	<u>3,236,243</u>	<u>2,847,023</u>

BUSINESS IN FOCUS LIMITED**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2019****4. EMPLOYEES AND DIRECTORS - continued**

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

	2019	2018
Senior Management Team	7	7
Contract & Delivery Staff	89	78
Support Staff	8	7
	<u>104</u>	<u>92</u>

	2019	2018
	£	£
Directors' remuneration	82,191	81,639
Directors' pension contributions to money purchase schemes	<u>6,339</u>	<u>6,302</u>

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

	2019	2018
Money purchase schemes	<u>1</u>	<u>1</u>

With the exception of the Executive Director, no board members receive any remuneration.

5. OPERATING PROFIT

The operating profit is stated after charging:

	2019	2018
	£	£
Depreciation - owned assets	31,462	36,255
Depreciation - assets on hire purchase contracts	36,759	21,854
Loss on disposal of fixed assets	-	15,359
Auditors' remuneration	6,958	7,000
Operating lease rentals	<u>126,108</u>	<u>145,084</u>

6. INTEREST PAYABLE AND SIMILAR EXPENSES

	2019	2018
	£	£
Bank loan interest	59,174	77,740
Hire purchase interest	<u>4,448</u>	<u>4,429</u>
	<u>63,622</u>	<u>82,169</u>

7. TAXATION**Analysis of the tax charge**

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

	2019	2018
	£	£
Current tax:		
UK corporation tax	22,669	17,202
Prior year under provision	<u>642</u>	-
Total current tax	23,311	17,202
Deferred tax	<u>145,884</u>	<u>(10,847)</u>
Tax on profit	<u>169,195</u>	<u>6,355</u>

7. TAXATION - continued

Reconciliation of total tax charge included in profit and loss

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

	2019	2018
	£	£
Profit before tax	<u>954,034</u>	<u>577,665</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2018 - 19%)	181,266	109,756
Effects of:		
Expenses not deductible for tax purposes	1,527	-
Adjustments to tax charge in respect of previous periods	3,256	-
Effect of revaluation on investment properties	-	(50,043)
Change of deferred tax rate	<u>(16,854)</u>	<u>(53,358)</u>
Total tax charge	<u>169,195</u>	<u>6,355</u>

8. TANGIBLE FIXED ASSETS

	Plant and machinery £	Fixtures and fittings £	Totals £
COST			
At 1 April 2018	224,481	380,832	605,313
Additions	14,499	18,817	33,316
Disposals	<u>(49,005)</u>	<u>(99,906)</u>	<u>(148,911)</u>
At 31 March 2019	<u>189,975</u>	<u>299,743</u>	<u>489,718</u>
DEPRECIATION			
At 1 April 2018	149,755	226,364	376,119
Charge for year	15,931	52,290	68,221
Eliminated on disposal	<u>(49,005)</u>	<u>(99,906)</u>	<u>(148,911)</u>
At 31 March 2019	<u>116,681</u>	<u>178,748</u>	<u>295,429</u>
NET BOOK VALUE			
At 31 March 2019	<u>73,294</u>	<u>120,995</u>	<u>194,289</u>
At 31 March 2018	<u>74,726</u>	<u>154,468</u>	<u>229,194</u>

BUSINESS IN FOCUS LIMITED**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2019****8. TANGIBLE FIXED ASSETS - continued**

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

	Fixtures and fittings £
COST	
At 1 April 2018 and 31 March 2019	<u>110,275</u>
DEPRECIATION	
At 1 April 2018	21,854
Charge for year	<u>36,759</u>
At 31 March 2019	<u>58,613</u>
NET BOOK VALUE	
At 31 March 2019	<u>51,662</u>
At 31 March 2018	<u>88,421</u>

9. FIXED ASSET INVESTMENTS

	Shares in group undertakings £
COST	
At 1 April 2018 and 31 March 2019	<u>2</u>
NET BOOK VALUE	
At 31 March 2019	<u>2</u>
At 31 March 2018	<u>2</u>

The company owns 100% of the equity share capital of Cardiff & Vale Enterprise International Limited (2018: 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 (2018: £nil).

The company owns 100% of the equity share capital of Enterprise Taff Ely Ogwr Partnership Limited (2018: 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 (2018: £1).

10. INVESTMENT PROPERTY

	Total £
FAIR VALUE	
At 1 April 2018	11,035,000
Additions	626,843
Revaluations	<u>863,157</u>
At 31 March 2019	<u>12,525,000</u>
NET BOOK VALUE	
At 31 March 2019	<u>12,525,000</u>
At 31 March 2018	<u>11,035,000</u>

BUSINESS IN FOCUS LIMITED**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2019****10. INVESTMENT PROPERTY - continued**

Fair value at 31 March 2019 is represented by:

Valuation in 2019	£ <u>12,525,000</u>
-------------------	------------------------

If investment properties had not been revalued they would have been included at the following historical cost:

	2019	2018
	£	£
Cost	<u>5,932,201</u>	<u>5,305,358</u>

The company's investment properties (excluding one long leasehold property) 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 2019, 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 (2018: £119,773).

11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019	2018
	£	£
Trade debtors	105,408	259,479
Other debtors	589,226	976,491
Prepayments and accrued income	<u>131,453</u>	<u>46,430</u>
	<u>826,087</u>	<u>1,282,400</u>

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019	2018
	£	£
Bank loans and overdrafts (see note 14)	95,201	136,587
Other loans (see note 14)	650,000	-
Hire purchase contracts (see note 15)	29,727	28,061
Trade creditors	126,936	323,586
Amounts owed to group undertakings	1	1
Corporation tax	23,311	17,202
Social security and other taxes	71,272	63,140
VAT	219,562	183,590
Other creditors	106,661	96,418
Accruals and deferred income	<u>421,279</u>	<u>707,811</u>
	<u>1,743,950</u>	<u>1,556,396</u>

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

	2019	2018
	£	£
Bank loans (see note 14)	1,516,095	1,611,767
Hire purchase contracts (see note 15)	<u>32,536</u>	<u>62,262</u>
	<u>1,548,631</u>	<u>1,674,029</u>

BUSINESS IN FOCUS LIMITED**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2019****14. LOANS**

An analysis of the maturity of loans is given below:

	2019 £	2018 £
Amounts falling due within one year or on demand:		
Bank overdrafts	-	43,790
Bank loans	95,201	92,797
Other loans	650,000	-
	<u>745,201</u>	<u>136,587</u>
Amounts falling due between two and five years:		
Bank loans	<u>414,837</u>	<u>401,845</u>
Amounts falling due in more than five years:		
Repayable by instalments		
Bank loans	<u>1,101,258</u>	<u>1,209,922</u>

15. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

	Hire purchase contracts	
	2019 £	2018 £
Net obligations repayable:		
Within one year	29,727	28,061
Between one and five years	<u>32,536</u>	<u>62,262</u>
	<u>62,263</u>	<u>90,323</u>
	Non-cancellable operating leases	
	2019 £	2018 £
Within one year	118,826	127,046
Between one and five years	<u>79,603</u>	<u>210,281</u>
	<u>198,429</u>	<u>337,327</u>

BUSINESS IN FOCUS LIMITED**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2019****16. SECURED DEBTS**

The following secured debts are included within creditors:

	2019 £	2018 £
Bank overdraft	-	43,790
Bank loans	1,611,296	1,704,564
Hire purchase contracts	<u>62,263</u>	<u>90,323</u>
	<u>1,673,559</u>	<u>1,838,677</u>

The following securities have been given on the bank loans and overdrafts in favour of Svenska Handelsbanken AB:

A legal charge over all assets of the company, dated 11 October 2017.

A debenture over all property, plant and machinery held by the company dated 25 May 2018.

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

17. FINANCIAL INSTRUMENTS

	2019 £	2018 £
Financial assets		
Financial assets that are debt instruments measured at amortised cost	<u>920,677</u>	<u>1,292,917</u>
Financial liabilities		
Financial liabilities measured at amortised cost	<u>2,916,172</u>	<u>2,876,170</u>
Financial liabilities		
Financial liabilities measured at fair value through profit and loss	<u>-</u>	<u>-</u>

Financial assets measured at amortised cost comprise cash, trade debtors and other debtors.

Financial liabilities measured at amortised cost comprise bank loans and overdrafts, trade creditors, other creditors, amounts owed to group undertakings and accruals.

Financial liabilities measured at fair value through the profit and loss comprise of derivative financial instruments. The fair value was determined by the market rate as at the year end. The total expense recognised in the profit and loss for the year is £nil (2018: £27,617).

18. PROVISIONS FOR LIABILITIES

	2019 £	2018 £
Deferred tax	599,439	453,555
Other provisions	<u>175,000</u>	<u>-</u>
	<u>774,439</u>	<u>453,555</u>

BUSINESS IN FOCUS LIMITED**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2019****18. PROVISIONS FOR LIABILITIES - continued**

	Deferred tax £
Balance at 1 April 2018	453,555
Charge to Profit and Loss Account during year	<u>145,884</u>
Balance at 31 March 2019	<u>599,439</u>

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

	2019 £	2018 £
Fixed asset timing differences	(4,724)	(3,873)
Revaluation of investment property	<u>604,163</u>	<u>457,428</u>
	<u>599,439</u>	<u>453,555</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.

19. PENSION COMMITMENTS

During the year the company contributed £166,726 (2018: £145,632) into defined contribution pension schemes. At 31 March 2019 there was £nil (2018: £nil) outstanding.

20. RELATED PARTY DISCLOSURES

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

Related party	Nature of transaction	2019 £	2018 £
Key management personnel	Remuneration	236,895	277,881
Other related parties	Professional fees	28,755	65,205
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), Verve Management Limited (common director - K Thomas) and Geldards LLP (common director - R W James).