

REPORT OF THE DIRECTORS AND
AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2022
FOR
HFMC WEALTH MANAGEMENT LTD

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FOR THE YEAR ENDED 5 APRIL 2022

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HFMC WEALTH MANAGEMENT LTD

COMPANY INFORMATION
FOR THE YEAR ENDED 5 APRIL 2022

DIRECTORS:

J N J Hoyland
R H Ibbotson
P Patient
M E Waller
S Dunn

SECRETARY:

L A R Paris

REGISTERED OFFICE:

Russell House
140 High Street
Edgware
Middlesex
HA8 7LW

REGISTERED NUMBER:

02355062 (England and Wales)

AUDITORS:

Moore Kingston Smith LLP
9 Appold Street
London
EC2A 2AP

REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 5 APRIL 2022

The directors present their report with the financial statements of the company for the year ended 5 April 2022.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of independent financial intermediation.

REVIEW OF BUSINESS

The results for 2022 reflect a turnover of £525,035 (2021: £927,493) . The decrease in turnover and in overheads has resulted in a decrease in trading profits to £13,466 (2021: £16,797) .

No dividends were paid in the year hence the increase in the company's capital and reserves by £10,877 to £266,564 (2021:£255,687)

The Board monitors the progress of the company's performance and the individual strategic elements on a monthly basis by reference to three KPI's;

1. Profits
2. Cashflow
3. Turnover

DIRECTORS

The directors shown below have held office during the whole of the period from 6 April 2021 to the date of this report.

J N J Hoyland
R H Ibbotson
P Patient
M E Waller
S Dunn

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing 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), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

The auditors, Moore Kingston Smith LLP, are deemed to be re-appointed under section 487(2) of the Companies Act 2006.

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 5 APRIL 2022**

This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

BY ORDER OF THE BOARD:

L A R Paris - Secretary

3 November 2022

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
HFMC WEALTH MANAGEMENT LTD

Opinion

We have audited the financial statements of HFMC Wealth Management Ltd (the 'company') for the year ended 5 April 2022 which comprise the Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity 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 5 April 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

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.

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

Other information

The directors are responsible for the other information. The other information comprises the information in 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 Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Directors has been prepared in accordance with applicable legal requirements.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
HFMW WEALTH MANAGEMENT LTD

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 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; or
- the directors were not entitled to take advantage of the small companies' exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Directors.

Responsibilities of directors

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

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
HFMIC WEALTH MANAGEMENT LTD

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:

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the company.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the company and considered that the most significant are the Companies Act 2006, UK financial reporting standards as issued by the Financial Reporting Council, and UK taxation legislation.
- We obtained an understanding of how the company complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through 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
HFMG WEALTH MANAGEMENT LTD

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.

Ian Matthews (Senior Statutory Auditor)
for and on behalf of Moore Kingston Smith LLP
9 Appold Street
London
EC2A 2AP

3 November 2022

**STATEMENT OF COMPREHENSIVE
INCOME
FOR THE YEAR ENDED 5 APRIL 2022**

	Notes	2022 £	2021 £
REVENUE	3	525,035	927,493
Cost of sales		<u>(461,464)</u>	<u>(847,904)</u>
GROSS PROFIT		63,571	79,589
Administrative expenses		<u>(50,105)</u>	<u>(60,957)</u>
OPERATING PROFIT	5	13,466	18,632
Interest payable and similar expenses	6	-	(1,835)
PROFIT BEFORE TAXATION		13,466	16,797
Tax on profit	7	<u>(2,589)</u>	<u>(3,191)</u>
PROFIT FOR THE FINANCIAL YEAR		10,877	13,606
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>10,877</u>	<u>13,606</u>

The notes form part of these financial statements

STATEMENT OF FINANCIAL POSITION

5 APRIL 2022

	Notes	2022 £	2021 £
CURRENT ASSETS			
Debtors	9	288,499	454,640
Cash at bank		220	3,927
		<u>288,719</u>	<u>458,567</u>
CREDITORS			
Amounts falling due within one year	10	(20,290)	(201,686)
NET CURRENT ASSETS		<u>268,429</u>	<u>256,881</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		268,429	256,881
PROVISIONS FOR LIABILITIES	13	(1,865)	(1,194)
NET ASSETS		<u>266,564</u>	<u>255,687</u>
CAPITAL AND RESERVES			
Called up share capital	14	228,153	228,153
Retained earnings	15	38,411	27,534
SHAREHOLDERS' FUNDS		<u>266,564</u>	<u>255,687</u>

The financial statements were approved by the Board of Directors and authorised for issue on 3 November 2022 and were signed on its behalf by:

M E Waller - Director

R H Ibbotson - Director

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 5 APRIL 2022

	Called up share capital £	Retained earnings £	Total equity £
Balance at 6 April 2020	228,153	53,928	282,081
Changes in equity			
Dividends	-	(40,000)	(40,000)
Total comprehensive income	-	13,606	13,606
Balance at 5 April 2021	<u>228,153</u>	<u>27,534</u>	<u>255,687</u>
Changes in equity			
Total comprehensive income	-	10,877	10,877
Balance at 5 April 2022	<u>228,153</u>	<u>38,411</u>	<u>266,564</u>

The notes form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2022

1. COMPANY INFORMATION

HFM Wealth Management Limited is a Limited company incorporated in England and Wales. Its principal place of business is HFM House New Road, Weybridge, Surrey KT13 9BW, England.

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.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts are rounded to the nearest pound.

Financial Reporting Standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemption in preparing these financial statements, as permitted by FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows.

Turnover

Turnover represents the commissions earned from the one principal activity of providing financial services. It is measured at the fair value of the consideration received or receivable net of value added tax. Full credit is taken for the initial commissions due on all business transacted in the year irrespective of the period of the policy. Renewal commission is accounted for when received.

Taxation

Current tax is recognised for the amount of Corporation tax payable in respect of the taxable profit for the current or past reporting periods using the tax rates and laws that have been enacted or substantially enacted by the reporting date.

Deferred tax is recognised as a liability or an asset if transactions or events that give the company the obligation to pay more tax in future or a right to pay less tax in future have occurred by the Balance sheet date.

Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and 'Section 12 'Other Financial Instruments Issues' of FRS 102 to all its financial instruments.

Financial instruments are recognised in the company's Statement of Financial Position when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 5 APRIL 2022

2. ACCOUNTING POLICIES - continued

Basic financial assets

Basic financial assets, which include trade and other debtors and cash and bank balances, are initially measured at transaction price including transaction costs and where material are subsequently measured at amortised cost using the effective interest method, less any impairment.

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and where material the changes in fair value are recognised in the Statement of Total Comprehensive Income, except that investments in equity instruments that are not publicly traded and whose fair value cannot be measured reliably are measured at cost less impairment.

Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial. The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating the interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the life of the debt instrument to the net carrying amount on initial recognition.

Impairment of financial assets

Financial assets, other than those held at fair value are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. The impairment loss is recognised in the Statement of Total Comprehensive Income

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership to another entity

Basic Financial liabilities

Basic financial liabilities, including trade and other payables and loans from group undertakings that are classified as debt are initially measured at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at the market rate of interest.

Trade creditors are obligations to pay for goods or services that have been acquired that have been acquired in the ordinary course of business from suppliers. Accounts payables are classified as current liabilities if a payment is due within one year or less. If not, they are present as non current liabilities. Short term creditors are initially recognised at transaction price and where material are subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when, and only when, the company's obligations are discharged, cancelled, or they expire.

Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short term liquid investments with original maturities of three months or less.

Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 5 APRIL 2022

3. REVENUE

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the United Kingdom. The total revenue of the Company is derived from services.

4. EMPLOYEES AND DIRECTORS

The company had no employees in the year (2021: none) and hence no staff costs.

5. OPERATING PROFIT

The operating profit is stated after charging:

	2022	2021
	£	£
Auditors' remuneration	<u>8,300</u>	<u>6,500</u>

6. INTEREST PAYABLE AND SIMILAR EXPENSES

	2022	2021
	£	£
Finance interest	<u>-</u>	<u>1,835</u>

7. 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	<u>2,589</u>	<u>3,191</u>
Tax on profit	<u>2,589</u>	<u>3,191</u>

UK corporation tax has been charged at 19% (2021 - 19%).

8. DIVIDENDS

	2022	2021
	£	£
Interim	<u>-</u>	<u>40,000</u>

9. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£	£
Amounts owed by group undertakings	<u>207,724</u>	253,999
Prepayments and accrued income	<u>80,775</u>	<u>200,641</u>
	<u>288,499</u>	<u>454,640</u>

Amounts owed by group undertakings are interest free and repayable on demand. The difference between the amortised value and the carrying value is deemed to be non material.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 5 APRIL 2022

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£	£
Trade creditors	5,531	7,977
Amounts owed to group undertakings	-	162,275
Tax	2,589	3,191
VAT	100	100
Accruals and deferred income	12,070	28,143
	<u>20,290</u>	<u>201,686</u>

Amounts owed to group undertakings are interest free and repayable on demand. The difference between the amortised value and the carrying value is deemed to be non material.

11. SECURED DEBTS

The company has provided security under a multilateral cross guarantee for the bank loan disclosed in the group consolidated financial statements, covering a number of entities under the control of HFMC Wealth Holdings Limited.

12. FINANCIAL INSTRUMENTS

Carrying amount of financial assets

	2022	2021
£		
Debt instruments measured at amortised cost	<u>207,724</u>	<u>253,999</u>

Carrying amount of financial liabilities

	2022	2021
£		
Measured at amortised cost	<u>17,601</u>	<u>198,395</u>

13. PROVISIONS FOR LIABILITIES

	Clawback Provision £	Total £
Balance at 6 April 2021	1,194	1,194
Provided during period	1,865	1,865
Utilised during period	<u>(1,194)</u>	<u>(1,194)</u>
Balance at 5 April 2022	<u>1,865</u>	<u>1,865</u>

The provisions for liabilities and charges is made for the clawback of commission received in situations where this is considered likely.

14. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:			2022	2021
Number:	Class:	Nominal value:	£	£
228,153	Ordinary	£1	<u>228,153</u>	<u>228,153</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 5 APRIL 2022

15. **RESERVES**

**Retained
earnings
£**

At 6 April 2021	27,534
Profit for the year	10,877
At 5 April 2022	<u>38,411</u>

16. **ULTIMATE PARENT COMPANY**

The ultimate parent company is HFMC Wealth Holdings Limited, a company registered in England and Wales.

HFMC Wealth Holdings Limited prepares group financial statements and copies can be obtained from the Company Secretary, Russell House, 140 High Street, Edgware, Middlesex, United Kingdom, HA8 7LW.

17. **RELATED PARTY DISCLOSURES**

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

18. **ULTIMATE CONTROLLING PARTY**

HFMC Wealth Limited is under the control of the board of directors of its ultimate parent company HFMC Wealth Holdings Limited.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.