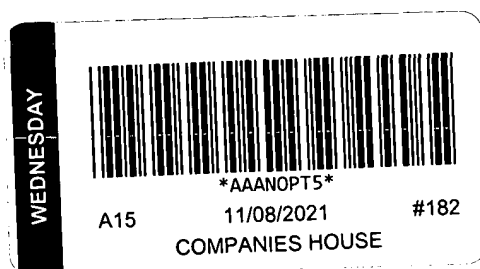


REGISTERED NUMBER: 02553654 (England and Wales)

BUSINESS IN FOCUS LIMITED
STRATEGIC REPORT, REPORT OF THE DIRECTORS AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021



BUSINESS IN FOCUS LIMITED

**CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

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BUSINESS IN FOCUS LIMITED

**COMPANY INFORMATION
FOR THE YEAR ENDED 31 MARCH 2021**

DIRECTORS:

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

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

**STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2021**

The directors present their strategic report for the year ended 31 March 2021.

1.0 Principal activity

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

2.0 Business review - performance during the year

The 2020/21 financial year began with the country newly in lockdown to address the COVID-19 pandemic. Working from home, our teams redesigned our Business Support services for delivery through virtual media and this continued successfully throughout the year. Our premises remained open for tenants, with strict risk management procedures in place to support those who needed access.

Our teams rose to the challenge of Covid, supporting people in business across Wales with business advice during the various lockdowns and beyond. Helping them to access financial reliefs, to diversify their businesses and to manage their workforce were key areas of service delivery. The teams supported many Welsh businesses in severe distress in the early days of the pandemic.

We also had our fair share of challenges in the first quarter as many of our customer faced similar business challenges with tenants moving their businesses to their homes, temporarily closing their premises and/or placing staff on furlough. Start Up Loans activity reduced significantly and each pronouncement from the Brexit negotiations caused successive ripples in the economy resulting in several contractual KPIs standing still for weeks.

Lockdown restrictions also meant reconfigured internal processes where the ingenuity and determination of our employees in adapting and responding to the new environment was nothing short of outstanding. All this whilst many of our employees grappled with new working situations. Our people's actions to support our cultural values and team spirit resulted in our retaining Investors in People Gold again at our recent review, with an improved assessment.

During the 2020-21 financial year our progress continued with our vision to deliver strongly on all our business services and turned the ingenuity of our people to devising solutions for clients under unprecedented circumstances of the pandemic. At the same time, we pursued our strategic goals by seeking new opportunities for delivery via funding applications, tender bids and additional work under existing contracts.

2.1 Delivering strongly

2020-21 saw the first full year of trading with our increased property portfolio following the significant investment made in October 2019. With over 500 tenants renting our offices and workshops, we were very concerned about the impact on occupancy levels and our tenants' ability to withstand the crisis. With the help of Handelsbanken, we were able to provide a three month rent deferral for our tenants. Occupancy dropped from 97% to 93.8% and then climbed back slowly to 95.9% by the end of the year. This was a better outcome than projected at the start of the year, and was supported by regular communication and other assistance to our tenants to help them access the range of financial reliefs available. In return, we are grateful for their loyalty.

The fifth year delivering the Business Wales service was a year unlike any other. In the first few months of lockdown the team had more interactions with clients supporting their "Distress" situation than interactions during any other comparable period. Whilst this had an initial negative impact on our contract performance indicators, it started to turn around from June. The team supported growing numbers of clients seeking support with diversification, sources of finance and access to government support. The team also received more than 1000 new clients entering the service and even during this difficult time supported nearly 800 new start-ups. During the year we supported Welsh businesses to create 1,762 jobs, £9.5 million exports and facilitated the investment of £39.8 million in enterprises. Alongside this, we delivered a number of additional projects to further support the Business Wales offering including Childcare Grant, Economic Resilience Grant I, II and III, a new Disability advisory services as well as a Barriers Grant.

Our performance under the Welsh Government's Big Ideas Wales contract continued to be strong, supporting 429 young people during this period with nurturing to learn the skills to start their own business. For the fourth year running, the success of this wide-ranging programme resulted in the award of additional budget to provide further support for entrepreneurs under 25 years old. We also had some of the biggest attendance numbers for the webinars and online Bootcamp activities.

Our reach as the local delivery partner for the British Business Bank's Start Up Loan extended across all of Wales and during the year we have supported owners of start-up and early-stage businesses to draw down 421 loans, exceeding the target set before COVID. This is just one loan short of the 2019-20 delivery. The total value of loans drawn down during the year exceeded £5 million.

**STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2021**

Activity at our new Enterprise Hubs, Focus Newtown and Focus Carmarthen faced a big challenge as they reconfigured their service for online delivery. With the support of our delivery partners Tramshed Tech, Wales Co-op, University of Wales Trinity St David's and Robert Owen Community Bank, business communities at both hubs embraced the new challenge alongside new proposals to expand the delivery programme under the initiative 'Be the Spark'. Welsh Government's original pilot hub contract, managed by Business in Focus and based in Wrexham, was awarded an extension into the next financial year, alongside the two Enterprise Hubs

The new service known as Enterprise Merthyr came to its natural end during the year. The project delivered 42 starts and engaged with over 725 participants in its short but successful life. This project helped people in the local community into self-employment and has been well received both by its beneficiaries and by the funder, Welsh Government. We built on our success and approached WCVA for funding to deliver a similar project in Blaenau Gwent. This project was well received and was awarded funding for a project starting in June 2021.

To support our business delivery, our Marketing team continues to make significant progress in raising our profile through extensive press and media coverage using a range of mediums including videos, photographs, GIFs, tenant endorsement, radio and social media campaigns, promoting our specialist advisers and advertising on buses. Our analysis shows this is successfully generating greater awareness and driving improved attendance at events.

In other vital support roles, Human Resources developed online assessment and interview methods, followed by excellent virtual induction procedures as our recruitment drive has continued throughout the year. At the end of the year we had over 125 people employed. We also had our Investors in People assessment and came out as gold, again! The Finance Team quickly switched gears taking all processes to online including the audit for 2019-20 and 2020-21. Through the uncertainty that epitomises the 2020-21 year, the Business Development Manager continued to find new funds to access and new contracts to bid. Our most recent success is funding for an additional enterprise hub/satellite in West Wales, which is expected to open in September 2021.

And finally, our plans last year to reduce our costs coincided with the wholesale move to home working so we seized the opportunity to halve the size of our headquarters in Bocam Park. The reconfiguration of the space provides a few private offices, open plan hot desk seating and a number of meeting room spaces.

2.2 Plans for future

Supported by our dedicated and experienced Board, we were fortunate to weather an exceptionally challenging year. We take away from this experience a deep respect for our employees' abilities to innovate and transform in an unsettling social and economic environment. The necessary COVID restrictions and economic impact on our clients tested us in many ways. Reflecting on our progress, we have certainly proven our ability to innovate and adapt effectively at speed.

We will need this innovation to shape a stronger future as we face the immediate uncertainty around how the economy reacts to the unwinding of COVID restrictions and business life post Brexit. Our plans for the future must be as flexible as possible to continue the work in supporting our tenants and delivering government contracts for the benefit of business people. This is especially true as a number of our existing contracts will be re-tendered in the coming year.

We are grateful that we have been able to maintain our financial strength over this past year, partly due to actions taken before the pandemic hit, partly due to the actions of our teams during the year and partly to our market sector. We have reflected on our wish to deliver social value in all that we do, and plan to invest some of our profits in activities that will benefit our communities, aligning this to the value already delivered to our communities through our day-to-day activities. We have already taken steps via match funding commitments in some new activities. We will balance our plans with the risks we expect to encounter over the next few years.

3.0 Principal risks and uncertainties

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

Given the nature of the business, the principal risk continues to arise from the ability to sustain income levels as UK funding mechanisms change. Our contracts remain a vital support to business through the pandemic, and we have assurances that our current European Union funded contracts are not at any risk of being curtailed - indeed most have been extended. However, we recognise the enacting of the UK's exit from the EU as a potential risk to future contract opportunities. Likewise, the financial and economic impact from the UK and Welsh Governments' funding to support employees and businesses through the pandemic will also affect future funding opportunities. In response, we have widened our business development activity to secure both new and replacement opportunities and have already met with some success.

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.

BUSINESS IN FOCUS LIMITED**STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2021****4.0 Development**

During the year, we consulted with our teams on a new working model with the result that our service delivery will remain, in many areas, home-based and virtual, except where services are location specific or physical face to face interactions are needed for inclusion or effective delivery. As pandemic restrictions are lifted, we will implement this model in full, with safety and wellbeing of our people and clients at the heart.

All our services are available bilingually, and we are pleased to say that we have increased the number of Welsh speaking team members. We have plans to build further our team's confidence in the use of spoken Welsh during the year.

We have carried out a refresh of our strategy to adapt for the changes resulting from Covid, Brexit and other factors and have identified a portfolio of strategic projects. At the heart of this is our intention to devise innovative interventions to support the widest possible range of clients, especially those who have been hardest hit by the pandemic, while also working to support growing companies to contribute strongly to economic recovery.

To achieve this we are focusing on developing our strategic relationships and the identification of service and operational innovations, including the continued increased use of digital solutions. At the same time, we are working to develop and support our Leadership and Senior Management Teams and all our people, to harness their talents for the benefit of our clients and communities.

5.0 KEY PERFORMANCE INDICATORS - FINANCIAL

The financial performance indicators for the year were as follows:

	2020-21	2019-20
Turnover	£6,684,984	£6,269,336
Net profit before tax (excluding property fair value adjustments)	2.7%	1.46%
Property valuation latest	£20,410,414	£20,410,414
Property valuation June 2019		£12,525,000

ON BEHALF OF THE BOARD:

DocuSigned by:

Geraint Evans

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G D Evans - Director

05/08/2021

Date:

BUSINESS IN FOCUS LIMITED

REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 MARCH 2021

The directors present their report with the financial statements of the company for the year ended 31 March 2021.

PRINCIPAL ACTIVITY

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

DIVIDENDS

No dividends will be distributed for the year ended 31 March 2021.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 April 2020 to the date of this report.

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

Other changes in directors holding office are as follows:

N Chhabria - resigned 29 January 2021
G F Kelly - resigned 26 January 2021
A Bridson - appointed 8 January 2021

DISCLOSURE IN THE STRATEGIC REPORT

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

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Strategic Report, the Report of the Directors and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

BUSINESS IN FOCUS LIMITED

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 MARCH 2021**

AUDITORS

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

ON BEHALF OF THE BOARD:

DocuSigned by:

Geraint Evans

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G D Evans - Director

05/08/2021

Date:

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 2021 which comprise the Profit and Loss Account, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement and Notes to the Cash Flow Statement, Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2021 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern in exceptional or unforeseen circumstances.

Other information

The directors are responsible for the other information. The other information comprises the information in the Strategic Report and the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Report of the Directors.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities set out on page five, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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:

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

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

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

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

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

Use of our report

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

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

9 August 2021

BUSINESS IN FOCUS LIMITED**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2021**

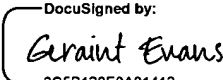
	Notes	2021 £	2020 £
TURNOVER	3	6,684,984	6,269,336
Cost of sales		<u>(3,195,627)</u>	<u>(3,099,687)</u>
GROSS PROFIT		3,489,357	3,169,649
Administrative expenses		<u>(3,010,306)</u>	<u>(2,875,490)</u>
		479,051	294,159
Other operating income	4	<u>150,344</u>	-
OPERATING PROFIT	6	629,395	294,159
Interest payable and similar expenses	7	<u>(298,776)</u>	<u>(201,682)</u>
PROFIT BEFORE TAXATION		330,619	92,477
Tax on profit	8	<u>(65,241)</u>	<u>(69,524)</u>
PROFIT FOR THE FINANCIAL YEAR		265,378	22,953
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>265,378</u>	<u>22,953</u>

The notes form part of these financial statements

BUSINESS IN FOCUS LIMITED (REGISTERED NUMBER: 02553654)**BALANCE SHEET
31 MARCH 2021**

	Notes	2021 £	2020 £
FIXED ASSETS			
Intangible assets	9	91,268	-
Tangible assets	10	88,929	136,983
Investments	11	2	2
Investment property	12	20,410,414	20,410,414
		<u>20,590,613</u>	<u>20,547,399</u>
CURRENT ASSETS			
Debtors	13	1,035,868	1,616,528
Cash at bank and in hand		892,474	358,346
		<u>1,928,342</u>	<u>1,974,874</u>
CREDITORS			
Amounts falling due within one year	14	(1,853,169)	(2,124,567)
NET CURRENT ASSETS/(LIABILITIES)		<u>75,173</u>	<u>(149,693)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>20,665,786</u>	<u>20,397,706</u>
CREDITORS			
Amounts falling due after more than one year	15	(9,665,833)	(9,798,701)
PROVISIONS FOR LIABILITIES	19	(1,007,221)	(871,651)
NET ASSETS		<u>9,992,732</u>	<u>9,727,354</u>
RESERVES			
Revaluation reserve		6,059,712	6,059,712
Retained earnings		3,933,020	3,667,642
		<u>9,992,732</u>	<u>9,727,354</u>

The financial statements were approved and authorised for issue by the Board of Directors and authorised for issue on 05/08/2021 and were signed on its behalf by:

DocuSigned by:

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 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 2021**

	Retained earnings £	Revaluation reserve £	Total equity £
Balance at 1 April 2019	3,715,767	5,988,634	9,704,401
Changes in equity			
Total comprehensive income	22,953	-	22,953
Deferred tax on investment properties	(71,078)	71,078	-
Balance at 31 March 2020	<u>3,667,642</u>	<u>6,059,712</u>	<u>9,727,354</u>
Changes in equity			
Total comprehensive income	<u>265,378</u>	<u>-</u>	<u>265,378</u>
Balance at 31 March 2021	<u><u>3,933,020</u></u>	<u><u>6,059,712</u></u>	<u><u>9,992,732</u></u>

The notes form part of these financial statements

BUSINESS IN FOCUS LIMITED

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2021**

	Notes	2021 £	2020 £
Cash flows from operating activities			
Cash generated from operations	1	915,627	336,043
Interest paid		(298,776)	(201,682)
Tax paid		(12,313)	(23,311)
Net cash from operating activities		<u>604,538</u>	<u>111,050</u>
Cash flows from investing activities			
Purchase of intangible fixed assets		(101,409)	-
Purchase of investment property		-	(7,885,414)
Net cash from investing activities		<u>(101,409)</u>	<u>(7,885,414)</u>
Cash flows from financing activities			
New loans in year		-	7,934,728
Loan repayments in year		(100,981)	-
Capital repayments in year		(18,364)	(28,061)
Government grants		150,344	-
Net cash from financing activities		<u>30,999</u>	<u>7,906,667</u>
Increase in cash and cash equivalents		<u>534,128</u>	<u>132,303</u>
Cash and cash equivalents at beginning of year	2	<u>358,346</u>	<u>226,043</u>
Cash and cash equivalents at end of year	2	<u><u>892,474</u></u>	<u><u>358,346</u></u>

The notes form part of these financial statements

**NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2021**
1. RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS

	2021 £	2020 £
Profit before taxation	330,619	92,477
Depreciation charges	53,942	46,859
Loss on disposal of fixed assets	4,253	10,447
Increase in provisions	135,634	40,000
Government grants	(150,344)	-
Finance costs	<u>298,776</u>	<u>201,682</u>
	672,880	391,465
Decrease/(increase) in trade and other debtors	580,660	(790,441)
(Decrease)/increase in trade and other creditors	<u>(337,913)</u>	<u>735,019</u>
Cash generated from operations	<u>915,627</u>	<u>336,043</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 2021

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

Year ended 31 March 2020

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

3. ANALYSIS OF CHANGES IN NET DEBT

	At 1/4/20 £	Cash flow £	At 31/3/21 £
Net cash			
Cash at bank and in hand	<u>358,346</u>	<u>534,128</u>	<u>892,474</u>
	<u>358,346</u>	<u>534,128</u>	<u>892,474</u>
Debt			
Finance leases	(34,202)	18,364	(15,838)
Debts falling due within 1 year	(413,161)	(19,299)	(432,460)
Debts falling due after 1 year	<u>(9,782,863)</u>	<u>120,280</u>	<u>(9,662,583)</u>
	<u>(10,230,226)</u>	<u>119,345</u>	<u>(10,110,881)</u>
Total	<u>(9,871,880)</u>	<u>653,473</u>	<u>(9,218,407)</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

1. STATUTORY INFORMATION

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

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

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

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets.

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

Going concern

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

Preparation of consolidated financial statements

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

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021

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.

Turnover

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

Government grants

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

Intangible assets

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

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

Tangible fixed assets

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

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

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

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021

2. ACCOUNTING POLICIES - continued

Investments in subsidiaries

Investments in subsidiary undertakings are recognised at cost.

Investment property

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

Taxation

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

Current or deferred taxation assets and liabilities are not discounted.

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

Deferred tax

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

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

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

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.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021

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.

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:

	2021 £	2020 £
Rendering of services	4,305,308	4,411,600
Rental income	2,379,676	1,857,736
	<u>6,684,984</u>	<u>6,269,336</u>

4. OTHER OPERATING INCOME

	2021 £	2020 £
Government grants	<u>150,344</u>	<u>-</u>

5. EMPLOYEES AND DIRECTORS

	2021 £	2020 £
Wages and salaries	3,157,779	3,120,128
Social security costs	292,098	290,504
Other pension costs	<u>181,940</u>	<u>187,782</u>
	<u>3,631,817</u>	<u>3,598,414</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021

5. EMPLOYEES AND DIRECTORS - continued

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

	2021	2020
Senior management team	9	9
Contract and delivery staff	99	97
Support staff	<u>7</u>	<u>7</u>
	<u>115</u>	<u>113</u>

	2021 £	2020 £
Directors' remuneration	99,286	91,355
Directors' pension contributions to money purchase schemes	<u>7,360</u>	<u>7,036</u>

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

Money purchase schemes	<u>1</u>	<u>1</u>
------------------------	----------	----------

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

6. OPERATING PROFIT

The operating profit is stated after charging:

	2021 £	2020 £
Depreciation - owned assets	32,774	35,832
Depreciation - assets on hire purchase contracts	11,027	11,027
Loss on disposal of fixed assets	4,253	10,447
Computer software amortisation	10,141	-
Auditors' remuneration	7,293	6,990
Operating lease rentals	<u>73,614</u>	<u>127,046</u>

7. INTEREST PAYABLE AND SIMILAR EXPENSES

	2021 £	2020 £
Bank loan interest	297,471	197,234
Hire purchase interest	<u>1,305</u>	<u>4,448</u>
	<u>298,776</u>	<u>201,682</u>

8. TAXATION

Analysis of the tax charge

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

	2021 £	2020 £
Current tax:		
UK corporation tax	65,305	12,313
Deferred tax	<u>(64)</u>	<u>57,211</u>
Tax on profit	<u>65,241</u>	<u>69,524</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021

8. TAXATION - continued**Reconciliation of total tax charge included in profit and loss**

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

	2021 £	2020 £
Profit before tax	<u>330,619</u>	<u>92,477</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2020 - 19%)	62,818	17,571
Effects of:		
Expenses not deductible for tax purposes	2,423	8,836
Utilisation of tax losses investment properties	-	(27,405)
Change of deferred tax rate	-	<u>70,522</u>
Total tax charge	<u>65,241</u>	<u>69,524</u>

9. INTANGIBLE FIXED ASSETS

	Computer software £
COST	
Additions	<u>101,409</u>
At 31 March 2021	<u>101,409</u>
AMORTISATION	
Amortisation for year	<u>10,141</u>
At 31 March 2021	<u>10,141</u>
NET BOOK VALUE	
At 31 March 2021	<u>91,268</u>

10. TANGIBLE FIXED ASSETS

	Plant and machinery £	Fixtures and Fittings £	Totals £
COST			
At 1 April 2020	165,205	299,743	464,948
Disposals	<u>(3,610)</u>	<u>(17,058)</u>	<u>(20,668)</u>
At 31 March 2021	<u>161,595</u>	<u>282,685</u>	<u>444,280</u>
DEPRECIATION			
At 1 April 2020	119,600	208,365	327,965
Charge for year	14,948	28,853	43,801
Eliminated on disposal	<u>(2,267)</u>	<u>(14,148)</u>	<u>(16,415)</u>
At 31 March 2021	<u>132,281</u>	<u>223,070</u>	<u>355,351</u>
NET BOOK VALUE			
At 31 March 2021	<u>29,314</u>	<u>59,615</u>	<u>88,929</u>
At 31 March 2020	<u>45,605</u>	<u>91,378</u>	<u>136,983</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021

10. 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 2020 and 31 March 2021	<u>110,275</u>
DEPRECIATION	
At 1 April 2020	69,640
Charge for year	<u>11,027</u>
At 31 March 2021	<u>80,667</u>
NET BOOK VALUE	
At 31 March 2021	<u>29,608</u>
At 31 March 2020	<u>40,635</u>

11. FIXED ASSET INVESTMENTS

	Shares in group undertakings £
COST	
At 1 April 2020 and 31 March 2021	<u>2</u>
NET BOOK VALUE	
At 31 March 2021	<u>2</u>
At 31 March 2020	<u>2</u>

The company owns 100% of the equity share capital of Cardiff & Vale Enterprise International Limited (2020: 100%), whose registered office is Enterprise House, 127 Bute Street, Cardiff Bay, Cardiff, CF10 5LE. Cardiff & Vale International Limited is a dormant company incorporated in the UK and at the year end the capital and reserves of the company were £nil (2020: £nil).

The company owns 100% of the equity share capital of Enterprise Taff Ely Ogwr Partnership Limited (2019: 100%), whose registered office is Enterprise Centre, Tondy, Bridgend, Mid Glamorgan, CF32 9BS. Enterprise Taff Ely Ogwr Limited is a dormant company incorporated in the UK and at the year end the capital and reserves of the company were £1 (2020: £1).

12. INVESTMENT PROPERTY

	Total £
FAIR VALUE	
At 1 April 2020 and 31 March 2021	<u>20,410,414</u>
NET BOOK VALUE	
At 31 March 2021	<u>20,410,414</u>
At 31 March 2020	<u>20,410,414</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021**

12. INVESTMENT PROPERTY - continued

Fair value at 31 March 2021 is represented by:

	£
Valuation in 2021	<u>20,410,414</u>

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

	2021 £	2020 £
Cost	<u>13,817,615</u>	<u>13,817,615</u>

The company's investment properties (excluding one long leasehold property and properties purchased in the year ended 31 March 2020) were valued at a market value of £11,250,000 in July 2019 by Savills (UK) Limited, Chartered Surveyors. The valuation was based on local knowledge, and the market value of similar properties within the area. The directors have reviewed the value of the long leasehold property at 31 March 2021, and consider the value of £1,275,000 to still be an accurate valuation for the financial statements. The company purchased several properties for £7,885,414 during the year ended 31 March 2020 giving a total value of £20,410,414.

Included within the net book value of the investment properties is capitalised interest costs of £119,773 (2020: £119,773).

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Trade debtors	38,286	119,511
Other debtors	882,292	1,290,967
Prepayments and accrued income	<u>115,290</u>	<u>206,050</u>
	<u>1,035,868</u>	<u>1,616,528</u>

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Bank loans and overdrafts (see note 16)	432,460	413,161
Hire purchase contracts (see note 17)	12,588	18,364
Trade creditors	258,167	338,994
Amounts owed to group undertakings	1	1
Corporation tax	65,305	12,313
Social security and other taxes	75,386	67,514
VAT	218,544	272,945
Other creditors	291,602	272,292
Accruals and deferred income	<u>499,116</u>	<u>728,983</u>
	<u>1,853,169</u>	<u>2,124,567</u>

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

	2021 £	2020 £
Bank loans (see note 16)	9,662,583	9,782,863
Hire purchase contracts (see note 17)	<u>3,250</u>	<u>15,838</u>
	<u>9,665,833</u>	<u>9,798,701</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021

16. LOANS

An analysis of the maturity of loans is given below:

	2021 £	2020 £
Amounts falling due within one year or on demand:		
Bank loans	<u>432,460</u>	<u>413,161</u>
Amounts falling due between one and two years:		
Bank loans - 1-2 years	<u>444,728</u>	<u>423,322</u>
Amounts falling due between two and five years:		
Bank loans	<u>2,360,092</u>	<u>1,360,063</u>
Amounts falling due in more than five years:		
Repayable by instalments		
Bank loans	<u>6,857,763</u>	<u>7,999,478</u>

17. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

	Hire purchase contracts	
	2021 £	2020 £
Net obligations repayable:		
Within one year	12,588	18,364
Between one and five years	<u>3,250</u>	<u>15,838</u>
	<u>15,838</u>	<u>34,202</u>
	Non-cancellable operating leases	
	2021 £	2020 £
Within one year	52,885	73,614
Between one and five years	<u>192,634</u>	<u>1,635</u>
	<u>245,519</u>	<u>75,249</u>

18. SECURED DEBTS

The following secured debts are included within creditors:

	2021 £	2020 £
Bank loans	10,095,043	10,196,024
Hire purchase contracts	<u>15,838</u>	<u>34,202</u>
	<u>10,110,881</u>	<u>10,230,226</u>

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

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

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021

19. PROVISIONS FOR LIABILITIES

	2021 £	2020 £
Deferred tax	656,587	656,651
Other provisions	<u>350,634</u>	<u>215,000</u>
	<u>1,007,221</u>	<u>871,651</u>
		Deferred tax
		£
Balance at 1 April 2020		656,651
Credit to Profit and Loss Account during year		<u>(64)</u>
Balance at 31 March 2021		<u>656,587</u>

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

	2021 £	2020 £
Fixed asset timing differences	(18,656)	(12,666)
Revaluation of investment property	675,243	675,242
Short term timing differences	<u>-</u>	<u>(5,925)</u>
	<u>656,587</u>	<u>656,651</u>

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

20. PENSION COMMITMENTS

During the year the company contributed £181,940 (2020: £185,106) into defined contribution pension schemes. At 31 March 2021 there was £nil (2020: £41,604) outstanding.

21. RELATED PARTY DISCLOSURES

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

Related party	Nature of transaction	2021 £	2020 £
Key management personnel	Remuneration	276,817	260,728
Other related parties	Professional fees	30,727	105,945
Balances at 31 March			
Entities under control of the entity	Creditor	1	1
Other related parties		-	20,454

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