

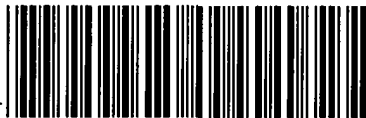
**BRUNSWICK SOUTH AFRICA LIMITED**

**Annual report and financial statements  
for the year ended 31st December 2019**

**Registered number: 3080474**

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# **BRUNSWICK SOUTH AFRICA LIMITED**

## **Financial statements for the year ended 31st December 2019**

Registered number: 3080474

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**BRUNSWICK SOUTH AFRICA LIMITED**

Registered number: 3080474

**Balance sheet as at 31st December 2019**

			2019	2018
	Note	£	£	£
<b>Non-current assets</b>				
Tangible assets	4		147,572	272,141
Investments	5		4	4
Debtors: Amounts falling due after more than one year	7		313,999	188,965
			<u>461,575</u>	<u>461,110</u>
<b>Current assets</b>				
Work in progress		615	-	-
Debtors: Amounts falling due within one year	6	1,143,707	691,162	
Cash at bank and in hand		586,670	678,172	
		<u>1,730,992</u>	<u>1,369,334</u>	
<b>Creditors: Amounts falling due within one year</b>	8	<u>(2,076,248)</u>	<u>(1,373,131)</u>	
<b>Net current liabilities</b>			<u>(345,256)</u>	<u>(3,797)</u>
<b>Total assets less current liabilities</b>			<u>116,319</u>	<u>457,313</u>
<b>Capital and reserves</b>				
Called up share capital	9	100		2
Profit and loss account		116,219		455,311
<b>Total shareholders' funds</b>			<u>116,319</u>	<u>457,313</u>

For the financial year ended 31st December 2019 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit of the financial statements for the year in question in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

As permitted by s444(5A) of the Companies Act 2006 the directors have not delivered to the Registrar a copy of the company's Profit and Loss account.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

The financial statements were approved by the board and authorised for issue on 18th November 2020 and signed on its behalf by:



J A Fenwick  
Director

# **BRUNSWICK SOUTH AFRICA LIMITED**

## **Notes to the financial statements for the year ended 31st December 2019**

### **1. General information**

The principal activity of Brunswick South Africa Limited ("the company") is that of an advisory firm specialising in critical issues and corporate relations in South Africa performed by the company's branch in that country. Its subsidiaries did not trade during the financial year.

The company is a limited company and is incorporated and domiciled in England. The address of its registered office is 16 Lincoln's Inn Fields, London, WC2A 3ED.

### **2. Statement of compliance**

The financial statements of Brunswick South Africa Limited have been prepared in compliance with United Kingdom Accounting Standards, including section 1A of Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS102") and the Companies Act 2006.

### **3. Summary of significant accounting policies**

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

#### **3.1 COVID-19 pandemic and going concern**

Brunswick South Africa Limited is one of several connected undertakings that make up the Brunswick Group. The directors, who are also directors or members of the other connected entities, consider the impact of the COVID-19 pandemic for the Group as a whole, as well as for the company in isolation.

Following the introduction of the global lockdown measures in early 2020, an extensive risk assessment was undertaken for the Group including the stress testing of financial forecasts and the modelling of the potential impact of various revenue scenarios to critically review the Group's ability to withstand a reduction in revenues.

Based on the risk assessment it was considered that a reasonable forecast and therefore base case scenario is a reduction in revenues of 5-10% and that a reduction of up to 25% can be considered as being a severe but plausible scenario. The stress testing of financial forecasts suggest that, though not deemed plausible, the Group can absorb greater reductions and so the directors believe that there is sufficient headroom before being presented with any short term operational or liquidity challenges.

The members of the Group are satisfied that it is a going concern for the reasons stated above; and the company along with other individual entities subject to an umbrella agreement with a bank will have sufficient resources to meet their liabilities within the next twelve months from the date of these financial statements.

The directors are satisfied that no material uncertainty exists over whether the company will continue in operational existence for the foreseeable future and therefore the company continues to prepare the financial statements on the going concern basis, under the historical cost convention.

## **BRUNSWICK SOUTH AFRICA LIMITED**

### **Notes to the financial statements for the year ended 31st December 2019 (cont'd)**

#### **3. Summary of significant accounting policies (cont'd)**

##### **3.2 Exemptions for qualifying entities under FRS102**

FRS102 allows a qualifying entity certain disclosure exemptions. The company has taken advantage of the exemptions available to it as a small entity with regards to the requirement to publish a cash flow statement and to prepare consolidated financial statements in accordance with Part 15 of the Companies Act 2006.

##### **3.3 Tangible assets and depreciation**

Tangible fixed assets are stated at original purchase cost of the asset less accumulated depreciation and, where appropriate, provision for impairment. Depreciation is provided so as to write off the cost of each asset evenly over its expected useful economic life. Short term leasehold improvements costs capitalised in the financial year are amortised at the appropriate rate from the time at which they are started to be used within the business. The principal annual rates used for this purpose are:

	%
Short leasehold improvements	10 or life of the lease
Computer equipment	33.3
Fixtures & fittings	15
Motor vehicles	25
Office equipment and Other property, plant and equipment	6 - 20

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to the profit and loss account.

##### **3.4 Investments**

Investments are stated at cost less provision for impairment. Impairment reviews are performed by the directors when there has been an indication of potential impairment. Provision is made where there is an impairment in the value of the investment.

##### **3.5 Work in progress**

Work in progress comprises expenditure rechargeable to clients and is valued at the lower of cost and net realisable value.

## **BRUNSWICK SOUTH AFRICA LIMITED**

### **Notes to the financial statements for the year ended 31st December 2019 (cont'd)**

#### **3. Summary of significant accounting policies (cont'd)**

##### **3.6 Turnover**

Turnover represents amounts recoverable from advisory fees earned and expenses recharged to clients during the year, net of value added tax, in South Africa.

Turnover for retained fees is recognised in equal monthly instalments over the contract period and is generally invoiced either monthly or quarterly in advance.

Turnover for project fees reflects the fair value of the services provided on each client assignment including expenses and disbursements, based on the stage of completion of each assignment as at the balance sheet date. Unbilled turnover on individual client assignments is included as unbilled amounts for client work within debtors. Where individual billings on account exceed revenue on client assignments, the excess is classified as progress billings for client work within creditors.

Turnover in respect of contingent fee assignments (over and above any agreed minimum fee) is only recognised when the contingent event occurs and collectability of the fee is assured.

Turnover for advisory fees for services rendered to connected undertakings is recognised on a quarterly basis.

##### **3.7 Administrative costs**

Administrative costs refers to all costs relating to operating the business except those arising directly from specific client work and are accounted for on an accruals basis.

##### **3.8 Interest**

Income and expenditure arising on financial instruments is recognised on an accruals basis and taken to the profit and loss account in the financial year in which it arises.

##### **3.9 Deferred taxation**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date and that result in an obligation to pay more tax in the future or right to pay less tax in the future. A net deferred tax asset is recognised as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits against which to recover carried forward tax losses and from which the future reversal of underlying timing differences can be deducted.

Deferred tax is measured at the average tax rates that are expected to apply in the years in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantially enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

## **BRUNSWICK SOUTH AFRICA LIMITED**

### **Notes to the financial statements for the year ended 31st December 2019 (cont'd)**

#### **3. Summary of significant accounting policies (cont'd)**

##### **3.10 Employee benefits**

The costs of short-term employee benefits are recognised as a liability and an expense. The cost of any unused holiday entitlement is recognised in the year in which the employee's services are received. Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

##### **3.11 Operating leases**

Costs in respect of operating leases are charged on a straight line basis over the lease term.

##### **3.12 Foreign currencies**

Trading results for the branch denominated in foreign currencies are translated into sterling at the closing rate of exchange.

Assets and liabilities are translated at the rates of exchange ruling at the year end except where rates of exchange are fixed under contractual arrangements.

##### **3.13 Cash at bank and in hand**

Cash at bank and in hand includes cash in hand and deposits held at call with banks. Bank overdrafts are shown within borrowings in current liabilities.

##### **3.14 Trade receivables**

Trade receivables are stated in the balance sheet at estimated net realisable value. Net realisable value is the invoiced amount less provisions for bad and doubtful debtors. Provisions are made specifically against debtors where there is evidence of a dispute or an inability to pay and are considered on all debtors with amounts falling 90 days past due or when there are exceptional circumstances.

##### **3.15 Other debtors (within one year)**

Receivables within one year are carried at transaction price and not adjusted.

##### **3.16 Trade creditors and other creditors**

These are recorded at transaction cost.

##### **3.17 Connected undertakings**

Connected undertakings are defined as those entities with which one or more directors of the company also have an interest. The connected undertakings with which the company had any business dealings during the year are disclosed in Note 11 – Related party disclosures.

# BRUNSWICK SOUTH AFRICA LIMITED

## Notes to the financial statements for the year ended 31st December 2019 (cont'd)

### 4. Tangible assets

	Short leasehold improvements £	Computer equipment £	Fixtures & fittings £	Motor vehicles £	Total £
<b>Cost</b>					
At 1st January 2019	238,619	246,275	94,298	29,436	608,628
Additions	16,717	8,532	-	-	25,249
Disposals	(63,566)	(221,469)	(74,328)	-	(359,363)
Exchange differences	(2,442)	(2,521)	(965)	(301)	(6,229)
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At 31st December 2019	189,328	30,817	19,005	29,135	268,285
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<b>Accumulated depreciation</b>					
At 1st January 2019	10,498	225,874	84,681	15,434	336,487
Charge for year	50,304	18,698	6,762	8,087	83,851
Disposals	-	(221,451)	(72,220)	(2,494)	(296,165)
Exchange differences	(108)	(2,329)	(866)	(157)	(3,460)
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At 31st December 2019	60,694	20,792	18,357	20,870	120,713
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<b>Net book value</b>					
At 31st December 2019	<u>128,634</u>	<u>10,025</u>	<u>648</u>	<u>8,265</u>	<u>147,572</u>
At 31st December 2018	<u>228,121</u>	<u>20,401</u>	<u>9,617</u>	<u>14,002</u>	<u>272,141</u>

### 5. Investments

	Subsidiary companies £
<b>Cost:</b>	
At 1st January 2019 and 31st December 2019	<u>4</u>
<b>Provision against cost:</b>	
At 1st January 2019 and 31st December 2019	<u>-</u>
<b>Net book value</b>	
At 31st December 2019	<u>4</u>
At 31st December 2018	<u>4</u>



## **BRUNSWICK SOUTH AFRICA LIMITED**

### **Notes to the financial statements for the year ended 31st December 2019 (cont'd)**

#### **5. Investments (cont'd)**

The directors believe that the carrying value of the investments is supported by their underlying net assets.

Brunswick South Africa Limited holds 100% of the issued share capital of Brunswick Partnership Limited and Brunswick Research Limited. Each company is incorporated in England and Wales and has a share capital of 2 £1 shares. The registered address of both companies is 16 Lincoln's Inn Fields, London, WC2A 3ED. Neither company has traded since its incorporation.

#### **6. Debtors: Amounts falling due within one year**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Trade debtors	<b>1,049,410</b>	567,514
Amounts due from connected undertakings	<b>553</b>	10,863
Other debtors	<b>1,960</b>	28,821
Prepayments and accrued income	<b>91,684</b>	83,964
Unpaid share capital	<b>100</b>	-
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	<b>1,143,707</b>	691,162
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Amounts due from connected undertakings represent balances arising from trading transactions and loan balances. Trading transactions are unsecured, interest free and repayable on demand. Loan arrangements are unsecured, repayable on demand and are charged interest at Bank of England base rates.

#### **7. Debtors: Amounts falling due after more than one year**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Deferred tax asset	<b>313,999</b>	188,965
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	<b>313,999</b>	188,965
	<hr/>	<hr/>

## BRUNSWICK SOUTH AFRICA LIMITED

### Notes to the financial statements for the year ended 31st December 2019 (cont'd)

#### 8. Creditors: Amounts falling due within one year

	2019	2018
	£	£
Trade creditors	20,542	16,939
Amounts owed to connected undertakings	1,332,662	685,700
Taxation and social security costs	41,177	19,944
Accruals and deferred income	681,867	650,548
	<u>2,076,248</u>	<u>1,373,131</u>

Amounts owed to connected undertakings represent loan balances owed and are unsecured, repayable on demand and are charged interest at Bank of England base rates.

#### 9. Called up share capital

	2019	2018
	£	£
<b>Authorised:</b>		
10,000 (2018: 10,000) Ordinary shares of £1 each	10,000	10,000
	<u>10,000</u>	<u>10,000</u>
<b>Allotted, issued and unpaid:</b>		
100 (2018: 2) Ordinary shares of £1 each	100	2
	<u>100</u>	<u>2</u>

On 4th October 2019, 98 Ordinary shares were issued at par value of £1 per share.

#### 10. Financial commitments

At 31st December 2019 the company had total commitments under non-cancellable operating leases as follows:

	Land and Buildings 2019 £	Land and Buildings 2018 £
Within one year	152,557	154,135
Within two to five years	718,290	725,717
	<u>870,847</u>	<u>879,852</u>

## **BRUNSWICK SOUTH AFRICA LIMITED**

### **Notes to the financial statements for the year ended 31st December 2019 (cont'd)**

#### **11. Related party disclosures**

Brunswick South Africa Limited has business dealings with certain entities, in which the directors of the company have interests as follows:

A Parker, J A Fenwick and R J R Pinker are members of Brunswick Group LLP, Brunswick Consulting LLP, Brunswick Financial Advisory LLP and MerchantCantos LLP.

A Parker and J A Fenwick are directors of and A Parker has a beneficial interest in the shares of Brunswick Group Services Limited (registered in England).

A Parker and J A Fenwick are directors of and have beneficial interests in Brunswick Group Partnership Limited. Brunswick Group Partnership Limited is a member in Brunswick Group LLC (registered in Delaware) and owns 100% of Brunswick Wynnstay Limited. Brunswick Wynnstay Limited owns 100% of the share capital of Brunswick Group Limited (registered in Hong Kong), Brunswick Europe Limited and Brunswick Gulf Limited.

Brunswick Europe Limited owns 100% of Brunswick SARL (registered in France) and Brunswick Group GmbH (registered in Germany).

A Parker and J A Fenwick are directors of and A Parker has a beneficial interest in the shares of Brunswick India Limited (registered in England) which is a member in Brunswick Corporate Communications LLP (registered in India).

During the year the company sold international advisory support on cross border assignments to the above entities. The value of the transactions were as follows:

Sales to:	2019	2018
	£	£
Brunswick Group LLP	43,049	220,108
Brunswick Consulting LLP	95,251	129,329
Brunswick Financial Advisory LLP	89,466	152,222
Brunswick Group LLC	23,529	7,624
Brunswick Gulf Limited	11,991	5,035
Brunswick SARL	-	2,200
Brunswick Group GmbH	13,352	-
Brunswick Corporate Communications LLP	553	-
Brunswick Group Limited	1,659	10,216

## **BRUNSWICK SOUTH AFRICA LIMITED**

### **Notes to the financial statements for the year ended 31st December 2019 (cont'd)**

#### **11. Related party disclosures (cont'd)**

During the year the company purchased support and administration services and international advisory support on cross border assignments from the above entities. The value of the transactions were as follows:

Purchases from:	2019 £	2018 £
Brunswick Group LLP	619,386	515,252
Brunswick Financial Advisory LLP	22,811	409
Brunswick Group LLC	186,693	134,919
Brunswick Group GmbH	-	2,247
Brunswick Consulting LLP	793	2,715
Brunswick SARL	-	728
Brunswick Corporate Communications LLP	95	-

All transactions with the above entities were carried out in the ordinary course of business on normal commercial terms.

At 31st December 2019 an amount of £nil (2018: £10,863) was owed from Brunswick Group LLP.

At 31st December 2019 a balance of £553 (2018: £nil) was owed from Brunswick Corporate Communications LLP.

At 31st December 2019 a balance of £1,249,186 was owed to (2018: £685,603) Brunswick Consulting LLP in respect of a loan. Interest of £5,387 (2018: £1,537) was payable on the loan during the financial year.

At 31st December 2019 a balance of £83,380 (2018: £nil) was owed to Brunswick Group LLC.

At 31st December 2019 a balance of £95 (2018: £96) was owed to Brunswick Corporate Communications LLP.

#### **12. Ultimate parent company**

The directors regard Wynnstay South Africa Limited, a company registered in England and Wales, to be the ultimate parent company.

Copies of the financial statements of Wynnstay South Africa Limited can be obtained from the company secretary at 16 Lincoln's Inn Fields, London, WC2A 3ED.

#### **13. Ultimate controlling party**

The ultimate controlling party is A Parker by virtue of his 100% (2018: 100%) shareholding in Wynnstay South Africa Limited.