

Inner Circle Consulting Limited

Annual Report and Unaudited Financial Statements

For the year ended 31 March 2021

Company Registration No. 06799707 (England and Wales)

Inner Circle Consulting Limited

Company Information

Directors	J P Ounan C J Twigg A Starkie
Company number	06799707
Registered office	Unit 3 9 Bell Yard Mews, London United Kingdom SE1 3UY
Accountants	Moore Kingston Smith LLP Charlotte Building 17 Gresse Street London W1T 1QL
Business address	Unit 3 9 Bell Yard Mews, London United Kingdom SE1 3UY

Inner Circle Consulting Limited

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Inner Circle Consulting Limited

Directors' Report

For the year ended 31 March 2021

The directors present their annual report and financial statements for the year ended 31 March 2021.

Principal activities

The principal activity of the company continued to be that of offering a range of services to public and private organisations in the sectors of corporate transformation, regeneration, construction, education, social care and health.

Review of Business

The results for the year are set out on page 4.

The pandemic struck at the beginning of the financial year and we moved quickly to adapt our working practices to ensure continuity of service for our clients and support for our staff. As a consequence, we were able to deliver record profits even in the event of falling revenue as our Council clients were diverted by their Covid response. We learnt a lot during the year about how to manage a business in particularly choppy waters and as a result we are a stronger organisation, well positioned for continued growth.

This year we supported 35 customers and worked on 60 projects.

We continued to invest in our people and our business systems; this has included:

- Full migration onto MS365 to ensure full integration with our customers
- Comprehensive L&D programme including a focus on personal impact and health and wellbeing
- Creating a regional hub for our growing South West business
- We obtained the certification for Environmental Management System (ISO 14001); confirming our organisational commitment to tackling climate change.

Our business again achieved national recognition and validation in our industry awards:

- For the second time in three years we were the winner of the coveted National Planning Consultancy of the Year award. Making us the most successful organisation in the awards history
- We were finalists in an exceptional five categories at the prestigious MCA awards, including four individual awards proving the quality of our staff against multinational management consultancies.
- We were also delighted to win the Best Employer category at the Southwark Business Awards proving our status as a high quality employer of choice

Using the platforms we have built on business efficiency and marketing and the overall resilience we have built up we will again return to growth in 21/22.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

J P Ounan
C J Twigg
A Starkie

Inner Circle Consulting Limited

Directors' Report (Continued)

For the year ended 31 March 2021

Statement of directors' responsibilities

The directors are responsible for preparing the annual report 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.

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

On behalf of the board

C J Twigg

Director

8 December 2021

Inner Circle Consulting Limited

Accountants' Report to the Board of Directors on The Preparation of the Unaudited Statutory Financial Statements of Inner Circle Consulting Limited for the year ended 31 March 2021

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Inner Circle Consulting Limited for the year ended 31 March 2021 which comprise the Statement of Income and Retained Earnings, the Balance Sheet and the related notes from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at <http://www.icaew.com/en/members/regulations-standards-and-guidance>.

This report is made solely to the Board of Directors of Inner Circle Consulting Limited, as a body, in accordance with the terms of our engagement letter dated 29 April 2020. Our work has been undertaken solely to prepare for your approval the financial statements of Inner Circle Consulting Limited and state those matters that we have agreed to state to the Board of Directors of Inner Circle Consulting Limited, as a body, in this report in accordance with ICAEW Technical Release 07/16 AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Inner Circle Consulting Limited and its Board of Directors as a body, for our work or for this report.

It is your duty to ensure that Inner Circle Consulting Limited has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and profit of Inner Circle Consulting Limited. You consider that Inner Circle Consulting Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the financial statements of Inner Circle Consulting Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.

Moore Kingston Smith LLP

13 December 2021

Chartered Accountants

Charlotte Building
17 Gresse Street
London
W1T 1QL

Inner Circle Consulting Limited

Statement of Income and Retained Earnings

For the year ended 31 March 2021

	2021 £	2020 £
Turnover	4,872,093	5,557,654
Cost of sales	(1,328,855)	(1,486,274)
Gross profit	3,543,238	4,071,380
Administrative expenses	(2,673,580)	(3,099,222)
Other operating income	61,136	-
Operating profit	930,794	972,158
Interest receivable and similar income	-	233
Profit before taxation	930,794	972,391
Taxation	(134,362)	(190,070)
Profit for the financial year	796,432	782,321
Retained earnings brought forward	992,098	931,642
Dividends	(837,400)	(721,865)
Retained earnings carried forward	951,130	992,098

Inner Circle Consulting Limited

Balance Sheet

As at 31 March 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	3		29,561		52,601
Current assets					
Debtors	4	1,600,809		993,178	
Cash at bank and in hand		558,194		1,000,566	
		<u>2,159,003</u>		<u>1,993,744</u>	
Creditors: amounts falling due within one year	5	<u>(1,232,493)</u>		<u>(1,049,450)</u>	
Net current assets			<u>926,510</u>		<u>944,294</u>
Total assets less current liabilities			<u>956,071</u>		<u>996,895</u>
Provisions for liabilities	6		<u>(4,837)</u>		<u>(4,695)</u>
Net assets			<u><u>951,234</u></u>		<u><u>992,200</u></u>
Capital and reserves					
Called up share capital	7		104		102
Profit and loss reserves			<u>951,130</u>		<u>992,098</u>
Total equity			<u><u>951,234</u></u>		<u><u>992,200</u></u>

For the financial year ended 31 March 2021 the company was entitled to exemption from audit under section 477 of the Companies Act 2006.

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

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

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved by the board of directors and authorised for issue on 8 December 2021 and are signed on its behalf by:

C J Twigg
Director

Company Registration No. 06799707

Inner Circle Consulting Limited

Notes to the Financial Statements

For the year ended 31 March 2021

1 Accounting policies

Company information

Inner Circle Consulting Limited is a private company limited by shares incorporated in England and Wales. The registered office is Unit 3 9 Bell Yard Mews, London, United Kingdom, SE1 3UY.

1.1 Accounting convention

These financial statements have been prepared in accordance with Section 1A of FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime.

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

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.

1.3 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures and fittings	20% - 33% straight line
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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 profit or loss.

1.4 Cash at bank and in hand

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.5 Financial instruments

The company only has basic financial instruments measured at amortised cost, with no financial instruments classified as other, or basic financial instruments measured at fair value.

Inner Circle Consulting Limited

Notes to the Financial Statements (Continued)

For the year ended 31 March 2021

1 Accounting policies

(Continued)

1.6 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.

1.7 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.8 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period 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.

1.9 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.10 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

Inner Circle Consulting Limited

Notes to the Financial Statements (Continued)

For the year ended 31 March 2021

1 Accounting policies

(Continued)

1.11 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 35 (2020 - 34).

3 Tangible fixed assets

Plant and machinery etc £

Cost

At 1 April 2020	176,541
Additions	12,394
Disposals	(3,475)
At 31 March 2021	185,460

Depreciation and impairment

At 1 April 2020	123,940
Depreciation charged in the year	38,593
Eliminated in respect of disposals	(6,634)
At 31 March 2021	155,899

Carrying amount

At 31 March 2021	29,561
At 31 March 2020	52,601

4 Debtors

	2021 £	2020 £
Amounts falling due within one year:		
Trade debtors	1,483,454	864,187
Other debtors	117,355	128,991
	1,600,809	993,178

Inner Circle Consulting Limited

Notes to the Financial Statements (Continued)

For the year ended 31 March 2021

5 Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	324,477	300,394
Corporation tax	318,934	184,642
Other taxation and social security	247,757	245,020
Other creditors	341,325	319,394
	<u>1,232,493</u>	<u>1,049,450</u>

6 Provisions for liabilities

	2021 £	2020 £
Deferred tax liabilities	4,837	4,695
	<u>4,837</u>	<u>4,695</u>

7 Called up share capital

	2021 £	2020 £
Ordinary share capital		
Issued and fully paid		
10,400 Ordinary shares of 1p each	104	102
	<u>104</u>	<u>102</u>

During the year 250 Ordinary 1p shares were issued to an existing shareholder.

8 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

	2021 £	2020 £
	13,000	90,395
	<u>13,000</u>	<u>90,395</u>

Inner Circle Consulting Limited

Notes to the Financial Statements (Continued)

For the year ended 31 March 2021

9 Related party transactions

Included within other creditors is an amount of £102,501 (2020: £10,931) owed to the company directors.
Included within other debtors is an amount of £nil (2020: £2,418 owed from a director).

During the year, the company made purchases of £122,937 (2020: £133,119) from a company controlled by a close family member of a director. At the year end there was £7,800 (2020: £13,015) outstanding in trade creditors.

During the year, the company made purchases of £69,878 (2020: £110,615) from from another company controlled by a close family member of a director. At the year end there was £4,056 (2020: £8,307) outstanding in trade creditors.

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.