

Barr & Law Limited

Unaudited

Financial statements

For the 14 month period ended 31 December 2021

BARR & LAW LIMITED

Contents

	Pages
Company Information	1
Directors' Report	2 - 3
Directors' Responsibilities Statement	4
Statement of Comprehensive Income	5
Statement of Financial Position	6 - 7
Statement of Changes in Equity	8
Notes to the Financial Statements	9 - 19

BARR & LAW LIMITED

Company Information

Directors	Mr S J Barr Mr E J Boyle (appointed 28 May 2021) Mr G Glover (appointed 28 May 2021) Mr P S Law
Company secretary	Mr P S Law
Registered number	NI061577
Registered office	8 Cromac Place Belfast BT7 2JB

BARR & LAW LIMITED

Directors' Report For the 14 Month Period Ended 31 December 2021

The directors present their report and the financial statements for the 14 month period ended 31 December 2021.

Barr & Law Limited (the "Company") has taken the small companies exemption under section 414 of the Companies Act 2006 and not presented a Strategic Report.

Overview

The Company is part of a group of companies controlled by Amber River Group Limited (formerly Socium Group Holdings Limited), a company incorporated in England and Wales. Amber River Group Limited is an investment vehicle aimed at investing in independent financial advisers trading in the UK retail distribution market.

The Company was acquired on 1 June 2021 by Johnston Campbell Holdings Limited. On 11 November 2021 the accounting reference was extended to 31 December 2021.

Following the acquisition the Company adopted the Financial Reporting Standard 101 'Reduced Disclosure Framework' ("FRS 101") having previously applied Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102"). The impacts of this adoption are shown in note 17 to align with the group.

Principal activity

The principal activity of the Company during the year was the provision of independent financial advice to individuals and corporate clients, and since the period end has ceased trading.

Directors

The directors who served during the period were:

Mr S J Barr
Mr E J Boyle (appointed 28 May 2021)
Mr G Glover (appointed 28 May 2021)
Mr P S Law

Going concern

The directors have prepared these financial statements on a breakup basis as the company is no longer trading.

Director indemnities

The Company made qualifying third party indemnity provisions for the benefit of its directors during the year which remain in force at the date of this report.

Subsequent events

Subsequent to the period end, the company has ceased trading.

Small companies note

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

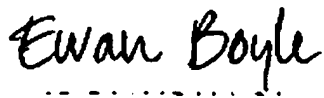
BARR & LAW LIMITED

Directors' Report (continued)
For the 14 Month Period Ended 31 December 2021

Auditors

The directors' have not required the Company to obtain an audit for the year in question in accordance with section 476 and 479A of the Companies Act 2006.

This report was approved by the board and signed on its behalf.



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Mr E J Boyle
Director

Date: 27 September 2022

BARR & LAW LIMITED

Directors' Responsibilities Statement For the 14 Month Period Ended 31 December 2021

The directors are responsible for preparing the Directors' 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 101 'Reduced Disclosure Framework'. 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 judgments 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 to 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.

BARR & LAW LIMITED

Statement of Comprehensive Income For the 14 Month Period Ended 31 December 2021

	Notes	14 months to 31 December 2021 £	12 months to 31 October 2020 £
Turnover		500,704	647,181
Gross profit		<u>500,704</u>	<u>647,181</u>
Administrative expenses		(270,624)	(271,205)
Other operating income		-	10,000
Operating profit		<u>230,080</u>	<u>385,976</u>
Profit on disposal of investments		7,677	-
Investment income		140	77
Interest payable and similar expenses	5	-	(1,497)
Profit before tax		<u>237,897</u>	<u>384,556</u>
Tax on profit	6	(50,176)	(72,903)
Profit for the financial year		<u><u>187,721</u></u>	<u><u>311,653</u></u>

There was no other comprehensive income for 2021 (2020:£NIL).

The notes on pages 9 to 19 form part of these financial statements.

All results are derived from continuing operations.

BARR & LAW LIMITED

Registered number: NI061577

**Statement of Financial Position
As at 31 December 2021**

	Notes	31 December 2021 £	31 October 2020 £
Fixed assets			
Intangible fixed assets	8	-	36,006
Property, plant and equipment	9	-	9,727
Investments	10	-	271,391
		<u>-</u>	<u>317,124</u>
Current assets			
Debtors	11	-	10,265
Cash at bank and in hand	12	85,818	163,756
		<u>85,818</u>	<u>174,021</u>
Current liabilities			
Creditors: amounts falling due within one year	13	(48,897)	(83,945)
		<u>36,921</u>	<u>90,076</u>
Net current assets		<u>36,921</u>	<u>90,076</u>
Total assets less current liabilities		<u>36,921</u>	<u>407,200</u>
Net assets		<u>36,921</u>	<u>407,200</u>
Capital and reserves			
Called up share capital	14	200	200
Retained earnings		36,721	407,000
		<u>36,921</u>	<u>407,200</u>
Shareholders' equity		<u>36,921</u>	<u>407,200</u>

BARR & LAW LIMITED

Registered number: NI061577

Statement of Financial Position (continued)

As at 31 December 2021

The members have not required the Company to obtain an audit for the 14 month period ended 31 December 2021 in accordance with section 476 of the Companies Act 2006.

The Company was entitled to exemption from audit under section 479A 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.

The Company's financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

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



Mr E J Boyle

Director

Date: 27 September 2022

The notes on pages 9 to 19 form part of these financial statements.

BARR & LAW LIMITED

Statement of Changes in Equity For the 14 Month Period Ended 31 December 2021

	Called up share capital £	Retained earnings £	Total equity £
At 1 November 2019	200	353,347	353,547
Comprehensive income for the year			
Profit for the year	-	311,653	311,653
Dividends (See note 7)	-	(258,000)	(258,000)
At 1 November 2020	200	407,000	407,200
Comprehensive income for the period			
Profit for the period	-	187,721	187,721
Dividends (See note 7)	-	(558,000)	(558,000)
At 31 December 2021	200	36,721	36,921

The notes on pages 9 to 19 form part of these financial statements.

BARR & LAW LIMITED

Notes to the Financial Statements For the 14 Month Period Ended 31 December 2021

1. General information

The principal activity of the Company is the provision of independent financial advice to individuals and corporate clients.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' and the Companies Act 2006.

Information on the impact of first-time adoption of FRS 101 is given in note 17.

The preparation of financial statements in compliance with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Financial reporting standard 101 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions under FRS 101:

- the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of:
 - paragraph 79(a)(iv) of IAS 1;
 - paragraph 73(e) of IAS 16 Property, Plant and Equipment;
 - paragraph 118(e) of IAS 38 Intangible Assets;
- the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D and 111 of IAS 1 Presentation of Financial Statements;
- the requirements of IAS 7 Statement of Cash Flows;
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors;
- the requirements of paragraph 17 and 18A of IAS 24 Related Party Disclosures;
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member;
- the requirements of paragraphs 130(f)(ii), 130(f)(iii), 134(d)-134(f) and 135(c)-135(e) of IAS 36 Impairment of Assets.

BARR & LAW LIMITED

Notes to the Financial Statements For the 14 Month Period Ended 31 December 2021

2. Accounting policies (continued)

2.3 Going concern

The directors have prepared these financial statements on a breakup basis as the company is no longer trading. See the Directors Report on page 2 for further information.

2.4 Impact of new international reporting standards, amendments and interpretations

At the date of authorisation of these financial statements, there are no new or revised IFRSs that have been issued but are not yet effective that will have a material impact on the financial statements of the Group in future periods. The directors do not expect the adoption of those standards will have a material impact on the financial statements of the Group in future periods.

2.5 Revenue

Turnover represents commissions and fee income in respect of the introduction of financial products to financial service companies, together with fees charged for advice given. The majority of turnover is provider facilitated and paid through the deduction from the investment or commission paid. Revenue is recognised in accordance with IFRS 15 five step reconciliation model. All revenues are specific to both client and product and separately identifiable. The terms of the transactions price and any initial and on-going fees payable are set out in the signed client agreement.

Advice fees that relate to on-going client servicing contracts are typically a percentage of a client's investment value and is accrued monthly based on latest valuations. The receipt of cash from providers is generally one month in arrears and this can give rise to differences between the accrued value and the actual cash received. Any revision to the accrual is recognised in the period which the estimate is revised.

Income relating to new business product sales is determined to have no future performance or service obligations. In accordance with IFRS 15 five step model this revenue is recognised at the inception date when the policies are placed on risk with product providers.

2.6 Taxation

Current income tax

Current income tax assets and liabilities for the current periods are measured as the amount expected to be recovered from or paid to the taxation authorities or paid to or recovered from other group companies in respect of group relief surrendered or received. The tax rates and laws used to compute the amount are those that are enacted or substantively enacted by the reporting date.

Current income tax relating to items recognised directly in equity is recognised in equity and not in the statement of profit or loss and other comprehensive income.

The taxation charge is based on the taxable result for the year. The taxable result for the year is determined in accordance with the rules established by the taxation authorities for calculating the amount of corporation tax payable.

Deferred income tax

Deferred taxes are calculated according to the statement of financial position method, based on temporary timing differences between reported and tax values of assets and liabilities. 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 liabilities are not discounted.

BARR & LAW LIMITED

Notes to the Financial Statements For the 14 Month Period Ended 31 December 2021

2. Accounting policies (continued)

2.6 Taxation (continued)

Deferred tax assets are recognised for all the temporary timing differences to the extent that it is probable that taxable profit will be available against which deductible temporary timing differences can be utilised.

Deferred tax is charged or credited in the statement of comprehensive income, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

2.7 Property, Plant & Equipment

Property, plant & equipment are recognised as an asset only if it is probable that future economic benefits associated with the items will flow to the Company and the cost of the item can be measured reliably.

An asset that qualifies for recognition is measured at its cost comprising the purchase price, any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management and are initially stated at cost less depreciation.

After recognition, all assets are carried at cost less any accumulated depreciation and any accumulated impairment losses. Depreciation is provided at rates calculated to write down the cost of assets, less estimated residual value, over the expected useful lives on the following basis:

Depreciation is provided on the following basis:

Fixtures and fittings	- 20% reducing balance
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2.8 Financial instruments

Financial assets carried at amortised cost

Financial assets are recognised on the statement of financial position when the Company becomes a party to the contractual provisions of the instrument.

Financial assets are initially recognised at fair value plus directly attributable transaction costs.

Financial assets carried at amortised cost are classified as loans and receivables and comprise of trade and other receivables and cash and cash equivalents. Loans and receivables are nonderivative financial assets with fixed or determinable payments that are not quoted in an active market.

After initial recognition, loans and receivables are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial.

If there is objective evidence that there is an impairment loss on loans and receivables, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate.

A financial asset is derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred.

BARR & LAW LIMITED

Notes to the Financial Statements For the 14 Month Period Ended 31 December 2021

2. Accounting policies (continued)

2.8 Financial instruments (continued)

Impairment of financial assets

The Company always recognises lifetime ECL (expected credit losses) for trade receivables and intercompany receivables. The expected credit losses on these financial assets are estimated based on the Company's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date.

Financial liabilities earned at amortised cost

Financial liabilities include trade and other payables and interest-bearing loans and borrowings. Financial liabilities are initially recognised at fair value adjusted for any directly attributable transaction costs.

After initial recognition, financial liabilities are measured at amortised cost using the effective interest method, with interest-related charges recognised as an expense in finance costs. Discounting is omitted where the effect of discounting is immaterial.

A financial liability is derecognised only when the contractual obligation is extinguished, that is, when the obligation is discharged, cancelled or expires.

2.9 Pensions

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

2.10 Government grants

Government grants received on capital expenditure are initially recognised within deferred income on the Company's Statement of Financial Position and are subsequently recognised in profit or loss on a systematic basis over the useful life of the related capital expenditure.

Grants for revenue expenditure are presented as part of the profit or loss in the periods in which the expenditure is recognised.

2.11 Interest income

Interest income is recognised in profit or loss using the effective interest method.

2.12 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

BARR & LAW LIMITED

Notes to the Financial Statements For the 14 Month Period Ended 31 December 2021

2. Accounting policies (continued)

2.13 Goodwill

Goodwill arising on consolidation of subsidiary undertakings, representing the excess of the fair value of the consideration given over the fair value of the identifiable assets and liabilities acquired, is capitalised. Goodwill is not amortised but is tested annually for impairment and stated at cost less any accumulated impairment losses. An impairment loss is recognised whenever the carrying value of the asset exceeds its estimated recoverable amount.

Impairment tests have been conducted for each cash generating unit (CGU) within the group by determining the value-in-use, utilising cash flow projections based on recent financial budgets that have been approved by the Board. The budget projections exclude capital expenditure that improves or enhances the CGU performance and include an allocation of central corporate overheads.

The results of the testing demonstrated that the carrying value exceeded the value-in-use for each CGU and therefore an impairment charge has been recognised (see note 8).

2.14 Impairment of fixed assets and goodwill

Assets that are subject to depreciation or amortisation are assessed at each reporting date to determine whether there is any indication that the assets are impaired. Where there is any indication that an asset may be impaired, the carrying value of the asset (or cash-generating unit to which the asset has been allocated) is tested for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's (or CGU's) fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (CGUs). Non-financial assets that have been previously impaired are reviewed at each reporting date to assess whether there is any indication that the impairment losses recognised in prior periods may no longer exist or may have decreased.

2.15 Cash and cash equivalents

Cash and cash equivalents comprise of cash at bank and in hand.

2.16 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

3. Judgments in applying accounting policies and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the reporting date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates.

No critical judgements or estimates have been identified within the financial statements.

BARR & LAW LIMITED

Notes to the Financial Statements For the 14 Month Period Ended 31 December 2021

4. Employees

The average monthly number of employees, including the directors, during the period was as follows:

	14 months to 31 December 2021 No.	12 months to 31 October 2020 No.
Directors	<u>4</u>	<u>6</u>

5. Interest payable and similar expenses

	14 months to 31 December 2021 £	12 months to 31 October 2020 £
Other loan interest payable	<u>-</u>	<u>1,497</u>

6. Taxation

	14 months to 31 December 2021 £	12 months to 31 October 2020 £
Corporation tax		
Current tax on profits for the year	<u>50,176</u>	<u>72,903</u>

BARR & LAW LIMITED

Notes to the Financial Statements For the 14 Month Period Ended 31 December 2021

6. Taxation (continued)

Factors affecting tax charge for the period/year

The tax assessed for the period/year is higher than (2020 - the same as) the standard rate of corporation tax in the UK of 19% (2020 - 19%). The differences are explained below:

	14 months to 31 December 2021 £	12 months to 31 October 2020 £
Profit on ordinary activities before tax	237,897	384,556
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2020 - 19%)	45,200	72,903
Effects of:		
Expenses not deductible for tax purposes	4,976	-
Total tax charge for the period/year	50,176	72,903

Factors that may affect future tax charges

The Finance Act 2021 announced a further increase of the to the main rate of corporation tax to 25% from April 2023.

7. Dividends

	31 December 2021 £	31 October 2020 £
Interim dividend paid	558,000	258,000

BARR & LAW LIMITED

Notes to the Financial Statements For the 14 Month Period Ended 31 December 2021

8. Goodwill

	31 December 2021 £
Cost	
At 1 November 2020	112,735
At 31 December 2021	<u>112,735</u>
Amortisation	
At 1 November 2020	76,729
Impairment charge for period	36,006
At 31 December 2021	<u>112,735</u>
Net book value	
At 31 December 2021	<u>-</u>
At 31 October 2020	<u>36,006</u>

BARR & LAW LIMITED

Notes to the Financial Statements For the 14 Month Period Ended 31 December 2021

9. Tangible fixed assets

	Fixtures and fittings £
Cost or valuation	
At 1 November 2020	41,998
At 31 December 2021	<u>41,998</u>
Depreciation	
At 1 November 2020	32,271
Charge for the period on owned assets	9,727
At 31 December 2021	<u>41,998</u>
Net book value	
At 31 December 2021	<u>-</u>
At 31 October 2020	<u>9,727</u>

10. Fixed asset investments

	Other fixed asset investments £
At 1 November 2020	271,391
Disposals	(271,391)
At 31 December 2021	<u>-</u>

BARR & LAW LIMITED

Notes to the Financial Statements For the 14 Month Period Ended 31 December 2021

11. Debtors

	31 December 2021 £	31 October 2020 £
Other debtors	-	8,015
Prepayments and accrued income	-	2,250
	<u>-</u>	<u>10,265</u>

Trade debtors are non-interest bearing and are generally on 30 day terms.

No provision for expected credit losses has been recognised in respect of financial assets.

12. Cash and cash equivalents

	31 December 2021 £	31 October 2020 £
Cash at bank and in hand	<u>85,818</u>	<u>163,756</u>

Cash at bank earns no interest. The carrying amount of these assets approximates to their fair value.

13. Creditors: Amounts falling due within one year

	31 December 2021 £	31 October 2020 £
Corporation tax	48,897	72,903
Other taxation and social security	-	679
Other creditors	-	6,055
Accruals and deferred income	-	4,308
	<u>48,897</u>	<u>83,945</u>

BARR & LAW LIMITED

Notes to the Financial Statements For the 14 Month Period Ended 31 December 2021

14. Share capital

	31 December 2021 £	31 October 2020 £
Authorised, allotted, called up and fully paid		
200 (2020 - 200) Ordinary shares of £1.00 each	200	200

The rights attaching to the shares are set out in the articles of association.

15. Subsequent events

Subsequent to the period end, the company has ceased trading.

16. Controlling party

In the opinion of the directors, the Company's ultimate parent company and ultimate controlling party is Violet Topco Limited, a Company incorporated in Jersey. The parent undertaking of the largest group, which includes the Company for which group accounts are prepared, is Violet Topco Limited, a company incorporated in Jersey, at Second Floor, Number 4, The Forum, Grenville Street, St Helier, Jersey JE2 4UF. The parent undertaking of the smallest such group is Amber River Group Limited, a company incorporated in England and Wales at Level 13, Broadgate Tower, 20 Primrose Street, London EC2A EW.

Copies of the group financial statements of Violet Topco Limited are available from the Jersey Financial Services Commission, 14-18 Castle Street, St Helier JE4 8TP, Jersey. Copies of the group financial statements of Amber River Group Limited are available from Companies House, Crown Way, Maindy, Cardiff CF14 3UZ. The Companies immediate controlling party is Amber River Group Limited.

17. First time adoption of FRS 101

The policies applied under the entity's previous accounting framework are not materially different.