



Scott-Moncrieff
business advisers and accountants

**COMPANIES HOUSE
EDINBURGH**

20 AUG 2019

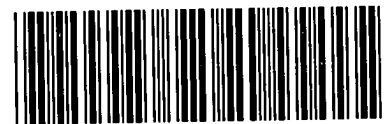
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EIS FINANCIAL SERVICES LIMITED

Company registration number SC122216

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2018**

TUESDAY



SCT *S8C7UWBD* #556
20/08/2019
COMPANIES HOUSE

EIS FINANCIAL SERVICES LIMITED

COMPANY INFORMATION

Directors	C M MacKenzie M Carroll R Murphy A Thornton S Quinn J McLeod (appointed 30 June 2019)
Company secretary	J McLeod
Registered number	SC122216
Registered office	6 Clairmont Gardens Glasgow G3 7LW
Independent auditor	Scott-Moncrieff Chartered Accountants Exchange Place 3 Semple Street Edinburgh EH3 8BL

EIS FINANCIAL SERVICES LIMITED

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EIS FINANCIAL SERVICES LIMITED

STRATEGIC REPORT FOR THE PERIOD ENDED 31 DECEMBER 2018

Introduction

The directors present the Strategic Report, the Directors' Report and the financial statements of the company for the 7 month period ended 31 December 2018.

Business review and future developments

In 2018 the directors agreed to change the company's year end date from 31 May to 31 December. Accordingly, these accounts cover a shorter 7 month period.

Turnover for the 7 months to 31 December amounted to £778,362 (*year to 31 May 2018: £1,258,016*). The directors consider the profit on ordinary activities before taxation to be satisfactory.

The company will continue to seek business outside its current customer base, whilst continuing to maintain high standards by ensuring that all compliance reviews and training are up to date.

Principal Activities

The company's principal activities are the provision of independent financial advice and the sale of regulated pension and investment products, together with the sale of general insurance to members of the Educational Institute of Scotland and their immediate families. In terms of the advice and sale of regulated financial products, the company is registered with the Financial Conduct Authority (FCA).

Principal risks and uncertainties

The principal risks affecting the continuing growth of the company include the economic conditions and the highly competitive and regulated market in which EIS Financial Services Limited operates. It is recognised that awareness of the services offered helps mitigate these risks.


Financial key performance indicators

Key performance indicators are monitored quarterly to ensure all sales are carried out correctly from a compliance point of view. Any problems identified are rectified immediately and remedial training is carried out as and when required.

Dividends

Dividends of £63,579 were paid during the period (*year to 31 May 2018: £144,144*).

This report was approved by the board on 20 June 2019 and signed on its behalf by:



C M MacKenzie
Director

EIS FINANCIAL SERVICES LIMITED

DIRECTORS' REPORT FOR THE PERIOD ENDED 31 DECEMBER 2018

The directors present their report and the financial statements for the period ended 31 December 2018.

Directors' responsibilities statement

The directors are responsible for preparing the Strategic Report, 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 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the company's financial statements 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.

Directors

The directors who served during the period were:

C M MacKenzie
M Carroll
R Murphy
C Bain (resigned 23 May 2019)
A Thornton
S Quinn

EIS FINANCIAL SERVICES LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE PERIOD ENDED 31 DECEMBER 2018**

Disclosure of information to auditor

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Auditor

The auditor, Scott-Moncrieff, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 20 June 2019 and signed on its behalf by:

A handwritten signature in black ink, appearing to read 'C M MacKenzie', with a horizontal line extending from the end of the signature.

C M MacKenzie
Director

EIS FINANCIAL SERVICES LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF EIS FINANCIAL SERVICES LIMITED

Opinion

We have audited the financial statements of EIS Financial Services Limited for the period ended 31 December 2018, which comprise the Statement of Income and Retained Earnings, the Statement of Financial Position, the Statement of Cash Flows and the 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 December 2018 and of its profit for the period 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 Auditor's 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 United Kingdom, including the Financial Reporting Council'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 audit opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

EIS FINANCIAL SERVICES LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF EIS FINANCIAL SERVICES LIMITED (CONTINUED)

Other information

The directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our auditor's report 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 there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Opinion 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 Directors' Report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

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 and the Directors' Report.

We have nothing to report in respect of the following matters in relation to which 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.

EIS FINANCIAL SERVICES LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF EIS FINANCIAL SERVICES LIMITED (CONTINUED)

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement on page 2, 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 is 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.

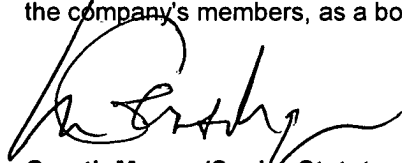
Auditor's responsibilities for the audit of the financial statements

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 an Auditor's Report 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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. The description forms part of our Auditor's Report.

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, as a body, those matters we are required to state to them in an Auditor's Report 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.



Gareth Magee (Senior Statutory Auditor)
for and on behalf of
Scott-Moncrieff, Statutory Auditor
Chartered Accountants
Exchange Place 3
Sempie Street
Edinburgh
EH3 8BL

Date: 19 August 2019



EIS FINANCIAL SERVICES LIMITED

**STATEMENT OF INCOME AND RETAINED EARNINGS
FOR THE PERIOD ENDED 31 DECEMBER 2018**

		7 months ended 31 December 2018 £	Year ended 31 May 2018 £
Turnover	4	778,362	1,258,016
Administrative expenses		(610,150)	(1,012,929)
Operating profit	5	168,212	245,087
Interest receivable and similar income		497	193
Profit before tax		168,709	245,280
Tax on profit	8	(32,101)	(46,808)
Profit after tax		136,608	198,472
Retained earnings at the beginning of the period		461,225	406,897
		461,225	406,897
Profit for the period		136,608	198,472
Dividends declared and paid		(63,579)	(144,144)
Retained earnings at the end of the period		534,254	461,225

None of the company's activities were acquired or discontinued during the financial period.

The notes on pages 10 to 21 form part of these financial statements.

EIS FINANCIAL SERVICES LIMITED
REGISTERED NUMBER:SC122216

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2018

	Note	31 December 2018 £	31 May 2018 £
Fixed assets			
Tangible assets	10	6,995	9,236
Current assets			
Debtors: amounts falling due within one year	11	14,082	8,444
Cash at bank and in hand		768,530	697,826
		<u>782,612</u>	<u>706,270</u>
Creditors: amounts falling due within one year	12	(204,292)	(202,855)
Net current assets		<u>578,320</u>	<u>503,415</u>
Total assets less current liabilities		<u>585,315</u>	<u>512,651</u>
Provisions for liabilities			
Deferred tax		(1,061)	(1,426)
		<u>(1,061)</u>	<u>(1,426)</u>
Net assets		<u><u>584,254</u></u>	<u><u>511,225</u></u>
Capital and reserves			
Called up share capital	15	50,000	50,000
Profit and loss account	16	534,254	461,225
		<u><u>584,254</u></u>	<u><u>511,225</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 20 June 2019 by:


C M MacKenzie
 Director

The notes on pages 10 to 21 form part of these financial statements.

EIS FINANCIAL SERVICES LIMITED

**STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 31 DECEMBER 2018**

	7 months period ended 31 December 2018 £	Year ended 31 May 2018 £
Cash flows from operating activities		
Profit for the financial period	136,608	198,472
Adjustments for:		
Depreciation of tangible assets	2,423	5,428
Interest received	(497)	(193)
Taxation charge	32,101	46,808
(Increase)/decrease in debtors	(5,638)	9,777
(Decrease)/increase in creditors	(31,790)	15,755
Corporation tax (paid)	-	(45,821)
Net cash generated from operating activities	133,207	230,226
Cash flows from investing activities		
Purchase of tangible fixed assets	(182)	(9,138)
Interest received	497	193
Net cash from investing activities	315	(8,945)
Cash flows from financing activities		
Dividends paid	(63,579)	(144,144)
Net cash used in financing activities	(63,579)	(144,144)
Net increase in cash and cash equivalents	69,943	77,137
Cash and cash equivalents at beginning of period	697,826	620,689
Cash and cash equivalents at the end of period	767,769	697,826
Cash and cash equivalents at the end of period comprise:		
Cash at bank and in hand	768,530	697,826
Bank overdrafts	(761)	-
	767,769	697,826

EIS FINANCIAL SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2018

1. General information

These financial statements are presented in Pounds Sterling (GBP), as that is the currency in which the company's transactions are denominated. They comprise the financial statements of the company drawn up for the period ended 31 December 2018.

The company is a private company limited by shares and is incorporated in United Kingdom and registered in Scotland. Details of the registered office can be found on the company information page of these financial statements. The company's registered number is SC122216.

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 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Going concern

The Board is satisfied that there are sufficient resources in place to enable the company to continue to meet its liabilities as they fall due for the foreseeable future. The directors therefore continue to adopt the going concern basis of accounting in preparing the annual financial statements.

2.3 Interest income

Interest income is recognised in the Statement of Income and Retained Earnings using the effective interest method.

2.4 Revenue

Revenue from fees is recognised on receipt.

2.5 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.

EIS FINANCIAL SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2018

2. Accounting policies (continued)

2.6 Current and deferred taxation

The tax expense for the period comprises current and deferred tax. Tax is recognised in the Statement of Income and Retained Earnings, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of Financial Position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

2.7 Group personal pension plan

The company operates a group personal pension plan for its employees under which the company contributes into each employee's individual personal pension plan. Once the contributions have been paid the company has no further payment obligations.

The contributions are recognised as an expense in the Statement of Income and Retained Earnings when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position.

2.8 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is 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.

The company adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the company. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to profit or loss during the period in which they are incurred.

EIS FINANCIAL SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2018

2. Accounting policies (continued)

2.8 Tangible fixed assets (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Computer equipment, fixtures and fittings - 10-33% on cost

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Income and Retained Earnings.

2.9 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.10 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the company's cash management.

2.11 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.12 Financial instruments

The company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in the case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow

EIS FINANCIAL SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2018

2. Accounting policies (continued)

2.12 Financial instruments (continued)

discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Income and Retained Earnings.

2.13 Operating leases: the company as lessee

Rentals paid under operating leases are charged to the Statement of Income and Retained Earnings on a straight line basis over the lease term.

2.14 Borrowing costs

All borrowing costs are recognised in the Statement of Income and Retained Earnings in the period in which they are incurred.

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

The preparation of financial statements in compliance with FRS 102 required the use of certain critical accounting estimates. It also required management to exercise judgement in applying the company's accounting policies.

The directors are satisfied that accounting policies are appropriate and applied consistently. Key sources of accounting estimation have been applied to the depreciation rates which are deemed to be appropriate for the class of assets.

4. Turnover

An analysis of turnover by class of business is as follows:

	7 months ended 31 December 2018 £	Year ended 31 May 2018 £
Fees - life and pension	763,071	1,229,035
Commission - general	15,291	28,981
	<u>778,362</u>	<u>1,258,016</u>

All turnover arose within the United Kingdom.

EIS FINANCIAL SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2018

5. Operating profit

The operating profit is stated after charging:

	7 months ended 31 December 2018 £	<i>Year ended 31 May 2018 £</i>
Depreciation of tangible fixed assets	2,423	5,428
Auditor's remuneration - audit fees	9,780	9,210
Auditor's remuneration - fees for non-audit services	867	5,693
	12,070	20,331

6. Employees

Staff costs, including directors' remuneration, were as follows:

	7 months ended 31 December 2018 £	<i>Year ended 31 May 2018 £</i>
Wages and salaries	122,445	200,256
Consultants' basic salaries	143,191	235,616
Consultants' commission payable	115,258	178,242
Social security costs	50,875	73,543
Cost of defined contribution scheme	17,745	27,529
	449,514	715,186

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

	7 months ended 31 December 2018 No.	<i>Year ended 31 May 2018 No.</i>
Office and management	11	11

EIS FINANCIAL SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2018

7. Officers' emoluments

	7 months ended 31 December 2018 £	Year ended 31 May 2018 £
Directors' emoluments	45,944	85,020
Directors' national insurance	11,300	14,078
Directors pension costs - defined contrib'n sch.	8,144	13,600
Directors' bonus	24,682	35,898
	<u>90,070</u>	<u>148,596</u>

During the period retirement benefits were accruing to one director (year to 31 May 2018 - 1) in respect of defined contribution pension schemes.

8. Taxation

	7 months ended 31 December 2018 £	Year ended 31 May 2018 £
Corporation tax		
Current tax on profits for the year	32,466	46,146
	<u>32,466</u>	<u>46,146</u>
Total current tax	<u>32,466</u>	<u>46,146</u>
Deferred tax		
Total deferred tax	(365)	662
	<u>(365)</u>	<u>662</u>
Taxation on profit on ordinary activities	<u>32,101</u>	<u>46,808</u>

EIS FINANCIAL SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2018

8. Taxation (continued)

Factors affecting tax charge for the period/year

The tax assessed for the period is the standard rate of corporation tax in the UK of 19% (year to 31 May 2018 - 19%). The differences are explained below:

	7 months ended 31 December 2018 £	<i>Year ended 31 May 2018 £</i>
Profit on ordinary activities before tax	168,709	245,280
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2018 - 19%)	32,055	46,603
Non-tax deductible amortisation of goodwill and impairment	3	351
Higher rate taxes on overseas earnings	-	(68)
Adjust closing deferred tax charge to average rate of 19.00%	(125)	(168)
Adjust opening deferred tax to average rate of 10.00%	168	90
Total tax charge for the period/year	32,101	46,808

9. Dividends

	7 months ended 31 December 2018 £	<i>Year ended 31 May 2018 £</i>
"A" Ordinary shares of £1 each		
Dividend in respect of the period end 31 December 2018 of 127.158p (year ended 31 May 2018 of 288.288p)	63,579	144,144

EIS FINANCIAL SERVICES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2018**

10. Tangible fixed assets

	Computer equipment, fixtures and fittings £
Cost or valuation	
At 1 June 2018	31,972
Additions	182
At 31 December 2018	<u>32,154</u>
Depreciation	
At 1 June 2018	22,736
Charge for the period on owned assets	2,423
At 31 December 2018	<u>25,159</u>
Net book value	
At 31 December 2018	<u>6,995</u>
At 31 May 2018	<u>9,236</u>

11. Debtors

	31 December 2018 £	31 May 2018 £
Other debtors	-	1,856
Prepayments and accrued income	14,082	6,588
	<u>14,082</u>	<u>8,444</u>

EIS FINANCIAL SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2018

12. Creditors: Amounts falling due within one year

	31 December 2018 £	31 May 2018 £
Bank overdrafts	761	-
Corporation tax	78,680	46,214
Other taxation and social security	28,841	21,084
Other creditors	3,162	6,062
Accruals and deferred income	92,848	129,495
	<u>204,292</u>	<u>202,855</u>

13. Financial instruments

	31 December 2018 £	31 May 2018 £
Financial assets		
Cash and cash equivalents	768,530	697,826
Financial assets that are debt instruments measured at amortised cost	-	1,856
	<u>768,530</u>	<u>699,682</u>
Financial liabilities		
Financial liabilities measured at amortised cost	<u>(96,771)</u>	<u>(135,557)</u>

Financial assets that are debt instruments measured at amortised cost comprise of trade debtors and other debtors.

Financial liabilities measured at amortised cost comprise accruals and other creditors.

14. Deferred taxation

EIS FINANCIAL SERVICES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2018**

14. Deferred taxation (continued)

	2018 £
At beginning of year	(1,426)
Charged to profit or loss	365
At end of year	<u>(1,061)</u>

The provision for deferred taxation is made up as follows:

	31 December 2018 £	31 May 2018 £
Fixed asset timing differences	(1,061)	(1,426)
	<u>(1,061)</u>	<u>(1,426)</u>

EIS FINANCIAL SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2018

15. Share capital

	31 December 2018 £	31 May 2018 £
Allotted, called up and fully paid		
37,500 (2018 - 37,500) "A" Ordinary shares of £1 each shares of £1.00 each	37,500	37,500
12,500 (2018 - 12,500) "B" Ordinary shares of £1 each shares of £1.00 each	12,500	12,500
	<u>50,000</u>	<u>50,000</u>

16. Reserves

Profit and loss account

The profit and loss account includes all current and prior year retained profits and losses.

17. Commitments under operating leases

At 31 December 2018 the company had future minimum lease payments under non-cancellable operating leases as follows:

	31 December 2018 £	31 May 2018 £
Not later than 1 year	3,532	5,376
Later than 1 year and not later than 5 years	3,532	5,210
	<u>7,064</u>	<u>10,586</u>

EIS FINANCIAL SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2018

18. Related party transactions

The Educational Institute of Scotland is entitled to a service charge based on the net profit before tax of the company. The Educational Institute of Scotland received a dividend of £47,684 (*year ended 31 May 2018: £108,108*) during the period and is entitled to a service charge of £36,856 in relation to the period ended 31 December 2018 (*year ended 31 May 2018: £55,931*).

During the period the Educational Institute of Scotland invoiced EIS Financial Serviced Limited £2,259 (*year ended 31 May 2018: £12,009*) for postage, stationery and advertising, £2,438 (*year ended 31 May 2018: £7,313*) for rent, £nil (*year ended 31 March 2018: £3,193*) for common charges and £303 (*year ended 31 May 2018: £3,034*) for sundry costs. At the period end there was a balance of £36,856 due to the Educational Institute of Scotland (*year ended 31 May 2018: £55,931*).

Cornmarket Insurance Services Limited is entitled to a service charged based on the net profit before tax of the company. Cornmarket Insurance Services Limited received a dividend of £15,895 (*year ended 31 May 2018: £36,036*) during the year and is entitled to a service charge of £12,559 (*year ended 31 May 2018: £17,396*) for the period. At the period end there was a balance of £12,559 (*year ended 31 May 2018: £17,396*) due to Cornmarket Insurance Services Limited.

19. Controlling party

The ultimate controlling party is the Educational Institute of Scotland.

EIS FINANCIAL SERVICES LIMITED

**DETAILED PROFIT AND LOSS ACCOUNT
FOR THE PERIOD ENDED 31 DECEMBER 2018**

	Note	31 December 2018 £	31 May 2018 £
Turnover		778,362	1,258,016
Gross profit		778,362	1,258,016
Gross profit %		100.0 %	100.0 %
Less: overheads			
Administration expenses		(584,239)	(961,830)
Establishment expenses		(25,911)	(51,099)
Operating profit		168,212	245,087
Interest receivable		497	193
Profit for the period/year		168,709	245,280

EIS FINANCIAL SERVICES LIMITED**SCHEDULE TO THE DETAILED ACCOUNTS
FOR THE PERIOD ENDED 31 DECEMBER 2018**

	31 December 2018 £	31 May 2018 £
Turnover		
Fees/commission - life and pension	763,071	1,229,035
Commission - general	15,291	28,981
	<u>778,362</u>	<u>1,258,016</u>
Administration expenses		
Director's salary	45,944	85,020
Director's national insurance	11,300	14,078
Director's pension costs - defined contribution schemes	8,144	13,600
Director's bonus	24,682	35,898
Staff salaries	51,819	79,338
Staff and consultants' national insurance	39,575	59,465
Staff and consultants' pension costs - defined contribution schemes	9,601	13,929
Staff training	5,329	3,605
Staff recruitment	-	9,672
Consultants' basic salaries	143,191	235,616
Consultants' commission payable	115,258	178,242
Motor running costs	20,054	37,437
Entertainment	2,421	2,790
Postage	7,201	25,837
Telephone and fax	3,597	5,858
Trade subscriptions	374	1,041
Legal and professional	14,803	33,995
Auditors' remuneration	9,780	9,210
Accountancy fees	1,761	5,693
Bank charges	664	1,270
Sundry expenses	2,189	8,169
Service charges	49,478	72,843
Depreciation - computer equipment	2,283	5,094
Depreciation - fixtures and fittings	140	334
Computer software licenses and consumables	12,396	19,649
HR fees	2,255	4,147
	<u>584,239</u>	<u>961,830</u>

**SCHEDULE TO THE DETAILED ACCOUNTS
FOR THE PERIOD ENDED 31 DECEMBER 2018**

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