SHEPHERD AND WEDDERBURN FINANCIAL LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 APRIL 2016

SC258539

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SHEPHERD AND WEDDERBURN FINANCIAL LIMITED

FINANCIAL STATEMENTS

For the year ended 30 April 2016

Company Number:	SC258539
Registered office:	1 Exchange Crescent Conference Square Edinburgh EH3 8UL
Directors:	Stephen Gibb Paul Hally Andrew Holehouse Greig Honeyman (Appointed and Resigned 1 May 2015) Louisa Knox John Mortimer Malcolm Rust
Bankers:	Bank of Scotland Princes Exchange 3 Earl Grey Street Edinburgh EH3 9BN
Auditor:	KPMG LLP Saltire Court 20 Castle Terrace Edinburgh EH1 2EG

SHEPHERD AND WEDDERBURN FINANCIAL LIMITED

FINANCIAL STATEMENTS

For the year ended 30 April 2016

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SHEPHERD AND WEDDERBURN FINANCIAL LIMITED

DIRECTORS' REPORT

For the year ended 30 April 2016

Company number: SC258539

The directors submit their report and accounts for the year ended 30 April 2016.

Principal activities

The company's principal activity continues to be that of Independent Financial Advisers authorised and regulated by the Financial Conduct Authority (previously Financial Services Authority).

Results

The results for the year are set out on page 6. A dividend of £16,000 (2015: £33,000) was paid during the year.

Going concern

The directors expect the company to generate sufficient cash flow to meet its liabilities and obligations over the next twelve months through the ongoing profitable trade, and have therefore prepared the company's financial statements on a going concern basis.

Directors

The directors who held office during the year and up to signing these financial statements were -

Stephen Gibb
Paul Hally
Andrew Holehouse
Greig Honeyman (Appointed and Resigned 1 May 2015)
Louisa Knox
John Mortimer
Malcolm Rust

Statement as to disclosure of information to Auditor

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditor is unaware and each director has confirmed that they have taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Auditor

Pursuant to section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

Approved by the board and signed on their behalf:

Paul Hally

Paul Hally
Director

11/8/2016

Date

Statement of Directors' responsibilities in respect of the Directors' Report and financial statements

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 UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS102 The Financial Reporting Standard applicable in the United Kingdom 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 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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

INDEPENDENT AUDITOR'S REPORT TO SHEPHERD AND WEDDERBURN FINANCIAL LIMITED

We have audited the financial statements of Shepherd and Wedderburn Financial Limited for the year ended 30 April 2016 set out on pages 6 to 14. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice), including FRS102 The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland.

This report is made solely to the company, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in 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.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit, and express an opinion on, the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 April 2016 and of its profit for the year then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

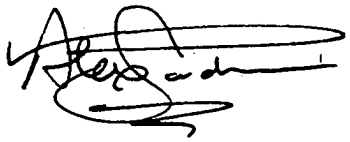
Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption from the requirement to prepare a strategic report.



Alex Sanderson (Senior Statutory Auditor)

for and on behalf of KPMG LLP, Statutory Auditor

Chartered Accountants

Edinburgh

30 September 2016

SHEPHERD AND WEDDERBURN FINANCIAL LIMITED

PROFIT AND LOSS ACCOUNT

For the year ended 30 April 2016

	Notes	2016 £	2015 £
Turnover		**413,143**	347,836
Gross profit		**413,143**	347,836
Administrative expenses		**(344,927)**	(328,524)
Operating profit	2	**68,216**	19,312
Interest receivable	3	**132**	134
Profit on ordinary activities before taxation		**68,348**	19,446
Tax on profit on ordinary activities	4	**(13,670)**	(3,176)
Profit for the financial year after taxation		**54,678**	16,270

There are no items of other comprehensive income other than the profit for the current and prior financial year.

The accompanying accounting policies and notes form an integral part of these financial statements.

All activities of the company are classed as continuing.

SHEPHERD AND WEDDERBURN FINANCIAL LIMITED

BALANCE SHEET

For the year ended 30 April 2016

	Notes	2016 £	2015 £
Fixed assets			
Tangible Fixed Assets	5	-	-
		-	-
Current assets			
Debtors	6	**12,775**	3,403
Cash at bank and in hand		**123,210**	88,084
		135,985	91,487
Creditors: amounts falling due within one year	7	**(45,500)**	(39,680)
Net current assets		**90,485**	51,807
Net assets		**90,485**	51,807
Capital and reserves			
Called up share capital		**100**	100
Profit and loss account		**90,385**	51,707
Equity shareholders' funds		**90,485**	51,807

The financial statements were approved by the board on 11 August 2016 and were signed on its behalf by:

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Paul Hally
Director

Company registered number: SC258539

SHEPHERD AND WEDDERBURN FINANCIAL LIMITED

STATEMENT OF CHANGES IN EQUITY

As at 30 April 2016

	Called up Share Capital £	Profit and loss account £	Total equity £
Balance at 1 May 2014	**100**	**68,437**	**68,537**
Total comprehensive income for the period			
Profit	-	16,270	16,270
Transactions with owners, recorded directly in equity			
Dividends	-	(33,000)	(33,000)
Balance at 1 May 2015	**100**	**51,707**	**51,807**
Total comprehensive income for the period			
Profit	-	54,678	54,678
Transactions with owners, recorded directly in equity			
Dividends	-	(16,000)	(16,000)
Balance at 30 April 2016	**100**	**90,385**	**90,485**

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

Shepherd and Wedderburn Financial Limited (the "Company") is a company limited by shares and incorporated and domiciled in the UK.

The Company is exempt by virtue of s400 of the Companies Act 2006 from the requirement to prepare group financial statements. These financial statements present information about the Company as an individual undertaking and not about its group.

These financial statements were prepared in accordance with Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland ("FRS 102") as issued in August 2014. The presentation currency of these financial statements is sterling.

In the transition to FRS 102 from old UK GAAP, the Company has made no measurement or recognition adjustments.

The Company's ultimate parent undertaking, Shepherd and Wedderburn LLP includes the Company in its consolidated financial statements. The consolidated financial statements of Shepherd and Wedderburn LLP are available to the public and may be obtained from 1 Exchange Crescent, Conference Square, Edinburgh EH3 8UL. In these financial statements, the company is considered to be a qualifying entity (for the purposes of this FRS) and has applied the exemptions available under FRS 102 in respect of the following disclosures:

- Reconciliation of the number of shares outstanding from the beginning to end of the period;
- Cash Flow Statement and related notes; and
- Key Management Personnel compensation.

As the consolidated financial statements of the ultimate parent undertaking include the equivalent disclosures, the Company has also taken the exemptions under FRS 102 available in respect of the following disclosures:

- The disclosures required by FRS 102.11 Basic Financial Instruments and FRS 102.12 Other Financial Instrument Issues in respect of financial instruments not falling within the fair value accounting rules of Paragraph 36(4) of Schedule 1.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements. On first time adoption of FRS 102, the Company has not retrospectively changed its accounting under old UK GAAP for accounting estimates.

Judgements made by the directors, in the application of these accounting policies that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are noted in note 11.

Measurement convention

The financial statements are prepared on the historical cost basis.

1.2 Going Concern

The directors expect the company to generate pre-tax profits and cash to meet its liabilities and obligations over the next twelve months through the ongoing profitable trade, and have therefore prepared the Company's financial statements on a going concern basis.

1.3 Turnover

Turnover comprises commission and other income earned during the financial year.

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is calculated at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following basis:-

Furnishings and Equipment 5 – 7 years

1.5 Basic financial instruments

Trade and other debtors / creditors

Trade and other debtors are recognised initially at transaction price less attributable transaction costs. Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured less any impairment losses in the case of trade debtors.

1.6 Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on timing differences which arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements. Deferred tax is not recognised on permanent differences arising because certain types of income or expense are non-taxable or are disallowable for tax or because certain tax charges or allowances are greater or smaller than the corresponding income or expense. Deferred tax is measured at the tax rate that is expected to apply to the reversal of the related difference, using tax rates enacted or substantively enacted at the balance sheet date.

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

1.7 Dividends on shares presented within shareholders' funds

Dividends are only recognised as a liability at the balance sheet date to the extent that they are appropriately authorised and are no longer at the discretion of the company.

2. OPERATING PROFIT

The operating profit is stated after charging:

	Year ended 30 April 2016 £	Year ended 30 April 2015 £
Auditor's remuneration		
Audit of these financial statements	**1,300**	1,300

All salary costs are paid by Shepherd and Wedderburn (Services) Limited and recharged to the company. In the current year the Directors Emoluments and Directors' Pension costs paid by Shepherd and Wedderburn (Services) Limited recharged to the company was £10,000 (2015: £10,000).

The total emoluments of the highest paid director were £10,000 (2015: £ 10,000).

3. INTEREST RECEIVABLE

	Year ended 30 April 2016 £	Year ended 30 April 2015 £
Bank interest	**132**	134

4. TAXATION

Total tax expense recognised in the profit and loss account, other comprehensive income and equity.

	2016 £	2015 £
Current tax		
Current tax on income for the period	**13,670**	3,889
Adjustment in respect of prior periods	**-**	(713)
Total current tax	**13,670**	3,176
Reconciliation of effective tax rate		
Profit for the year	**54,678**	16,270
Tax expense	**13,670**	3,176
Profit excluding tax	**68,348**	19,446
Tax using the UK Corporation tax rate of 20% (2015: 20%)	**13,670**	3,889
Over provided in prior years	**-**	(713)
Total tax expense included in profit and loss account	**13,670**	3,176

Reductions in the UK corporation tax rate from 23% to 21% (effective from 1 April 2014) and 20% (effective from 1 April 2015) were substantively enacted on 2 July 2013. Further reductions to 19% (effective from 1 April 2017) and to 18% (effective 1 April 2020) were substantively enacted on 26 October 2015. An additional reduction to 17% (effective from 1 April 2020) was announced in the Budget on 16 March 2016. This will reduce the company's future current tax charge accordingly.

5. TANGIBLE FIXED ASSETS

	Furnishings & Equipment £
Cost	
At 30 April 2016 and 30 April 2015	**4,253**
Depreciation	
At 30 April 2016 and 30 April 2015	**4,253**
Net book value - 30 April 2016 and 30 April 2015	**-**

6. DEBTORS - amounts falling due within one year

	30 April 2016 £	30 April 2015 £
Other debtors	**12,775**	3,403
	12,775	3,403

7. CREDITORS - amounts falling due within one year

	30 April 2016 £	30 April 2015 £
Corporation tax	**13,359**	3,889
Other creditors	**32,141**	35,791
	45,500	39,680

8. SHARE CAPITAL

	30 April 2016	30 April 2015
	£	£
Allotted, called up and fully paid		
100 (2015: 100) ordinary shares of £1 each	**100**	100

9. RELATED PARTY TRANSACTIONS

As a wholly owned subsidiary of Shepherd and Wedderburn LLP, the company is exempt from the requirements of FRS 102.33 to disclose transactions with other members of the group headed by Shepherd and Wedderburn LLP.

10. ULTIMATE PARENT COMPANY

At 30 April 2016, the company's ultimate parent entity is Shepherd and Wedderburn LLP, registered in Scotland. The immediate parent entity is Shepherd and Wedderburn Financial Holdings Limited, registered in Scotland.

11. ACCOUNTING ESTIMATES AND JUDGEMENTS

The company believes that there are no areas of material uncertainty or major judgement which affect the financial statements.