

**JOSEPH R LAMB INDEPENDENT FINANCIAL
ADVISERS LIMITED**

**Strategic Report, Report of the Directors and
Financial Statements**

For The Year Ended 30th June 2016

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**JOSEPH R LAMB INDEPENDENT FINANCIAL
ADVISERS LIMITED (REGISTERED NUMBER: 03928438)**

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For The Year Ended 30th June 2016**

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**JOSEPH R LAMB INDEPENDENT FINANCIAL
ADVISERS LIMITED**

**Company Information
For The Year Ended 30th June 2016**

DIRECTORS:

Mr M C Lamb
Mrs M E Lamb
Mr R Daniels

SECRETARIES:

Mrs C B Lamb
Mr J R Lamb

REGISTERED OFFICE:

Chillingstone House
26 Eastwood Road
Rayleigh
Essex
SS6 7JQ

REGISTERED NUMBER:

03928438 (England and Wales)

BANKERS:

Cater Allen Private Bank
9 Nelson Street
Bradford
Yorkshire
BD1 5AN

**JOSEPH R LAMB INDEPENDENT FINANCIAL
ADVISERS LIMITED (REGISTERED NUMBER: 03928438)**

**Strategic Report
For The Year Ended 30th June 2016**

The directors present their strategic report for the year ended 30th June 2016.

REVIEW OF BUSINESS - 2016

The Company has continued its business model largely unchanged. We continue to provide Financial Advice to a broad range of clients mainly in the Home Counties, with a focus on Pensions and Investments. Our core D-PIMS and PIMS services have continued to attract new clients and we are delighted to report a continued increase in assets under influence, these under our PIMS and D-PIMS services approaching £250,000,000 at the year end. Client assets outside of these core services have also grown, with an appropriate increase in fee income from these. We remain directly authorised by The Financial Conduct Authority (FCA) under registration number 210208.

The trading year has been fairly difficult due to the uncertain background of the EU Referendum, and the significant planning and modelling that went into trying to manage client investments around the event and to minimise the potential impact. I am delighted to report that despite the outcome of the referendum the majority of client portfolios performed well, and our core services have performed well against benchmarks and peer group competitors. This has led to an increase in our income from our investment management permissions, and combined with a higher level of initial advice fees, we have increased our turnover to the level I was expecting as indicated by the Strategic Report of 2015. Turnover increased by 11% for the period, but with changes to the adviser base and by controlling costs, the increase in operating expenses was tiny, only 0.3% so the majority of our increased turnover has translated directly to profit before taxation, which has increase by a very healthy 36.8%.

These numbers are much more in line with my expectations of our business model, and I am confident that we should be able to continue to drive up turn over by similar amounts, and keep a tight control on expenditure over the coming year, and that similar monetary (if not %age) increase to profitability should be possible for the forthcoming year.

We have incurred some structural changes, with an adviser retiring and us completing the purchase of the goodwill of his former business's client base. This stretched our cash balances for a short while, and to ensure a continued smooth operation of the business, it was felt prudent to borrow £250,000, just to maintain a prudent cash buffer. Clearly this will have some interest costs that are reflected in the accounts, but, subject to the continued expected performance of the business it is likely this will be repaid before the expiration of the loans 5 year term. The business has refined its internal structure to allow more scope for its existing staff to manage the additional client bank, and key to this restructuring was the appointment of Ricky Daniels to Managing Director and Karen Kemp to Head of Operations. In turn this has enabled supporting staff to step into their shoes with increased responsibilities, the key outcome of this was to free myself up, now in a CEO role, to focus on the Business rather than running the business. At the time of writing this appears to be succeeding and I am delighted to report that all those staff who have taken on more responsibility are performing well, and my expectations of continued growth appear to be very realistic.

In addition to these appointments we have appointed Colin Kemp as an Independent 'consumer champion'. The Board felt that despite our confidence, it would be prudent to have our service propositions and, for example, our treatment of potentially vulnerable clients, independently assessed and monitored. Colin's experience in Financial Services and in the Charitable sector should prove beneficial to our customer outcomes. On this note I am pleased to report that our independent Compliance consultants, Thistle Initiatives, have shown that our file quality and record keeping continues to improve, and that they have no issues of any significance over our advice outcomes. I would like to thank all the adviser team and support staff for their efforts in continuing to drive up our advice and record keeping standards.

Our Prestigious London office has served us well, it continues to enable us to develop a High Net Worth London client base and has added relatively little to our operating expenses. Partly as result of this, and partly due the Governments 'pension freedoms' of 2015, we have seen our new business activities increase in size quality, and complexity. This appears to be a continued trend at the time of writing, and I expect that our initial fee income, to continue to rise over the coming years.

**JOSEPH R LAMB INDEPENDENT FINANCIAL
ADVISERS LIMITED (REGISTERED NUMBER: 03928438)**

**Strategic Report
For The Year Ended 30th June 2016**

Immediately post referendum the risks to the business are no higher than over the last year. We are disappointed that the regulators still do not appear to have introduced appropriate guidance around the new pension freedoms, which makes advice in this area more costly and burdensome than it needs to be in my view, but as rules have not been overhauled to reflect the new environment, we are continuing to treat point of retirement advice as we always have, to minimise any potential future regulatory risk.

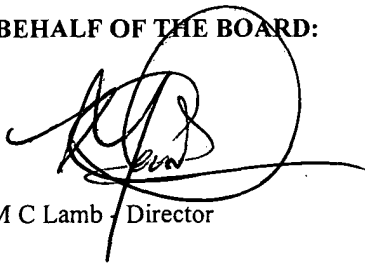
Our core investment platform provider, Old Mutual, has announced that it intends to separate the UK wealth management arm from its South African parent. This may be via an IPO in its own right, but we cannot ignore that the business could be purchased by another provider. This is a potential concern. I have confidence in the current management team and have been supportive of their desire to extract the UK business from the parent, I only hope that they succeed in their IPO as I do not believe their potential will be fully realised if there is a sale to another financial services group or other investor. We are watching this carefully and will of course factor the outcome into our advice processes as appropriate.

The Professional Indemnity insurance market appears to be softening. We are hopeful that we can secure wider coverage and no additional cost come our renewal in October, but until we do so we still need to be aware of the potential cost and security issues to the business. Despite the cost of the goodwill purchase detailed above, we are conscious of the need for the business to remain well capitalised. The purchase put a short term strain on our reserves, but an increase in cash flow due to increased business and the retention of all the income stream from the purchase is rapidly improving our cash position, and we have no concerns over this.

Looking forwards the new structure is freeing MCL up to increase not only his personal fee earning capability, but also allowing us to develop growth and service improvement ideas. It is hoped that we will be delivering an electronic client portal in the next trading year to improve service standards and improve the ease of management of clients investment portfolios, and we have continued our work in improving client data security, and improving awareness of the potential threats of financial and electronic crime.

On balance we believe that the structural changes of the last 12 months will enable the business to continue to improve its client experiences and outcomes, and the profitability and strength of the business for the benefit of all clients and staff. We are looking forward to the coming year with a degree of optimism that is perhaps less guarded than it has been in previous years. Once again I must thank all of the staff at all levels in the business for their continued support and hard work, and most importantly, all of our loyal clients for their continued custom and referrals.

ON BEHALF OF THE BOARD:

A handwritten signature in black ink, appearing to be 'MCL', written over a circular stamp or seal.

Mr M C Lamb - Director

19th October 2016

**JOSEPH R LAMB INDEPENDENT FINANCIAL
ADVISERS LIMITED (REGISTERED NUMBER: 03928438)**

**Report of the Directors
For The Year Ended 30th June 2016**

The directors present their report with the financial statements of the company for the year ended 30th June 2016.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of independent financial advisers.

DIVIDENDS

The total distribution of dividends for the year ended 30th June 2016 will be £468,522.

DIRECTORS

The directors shown below have held office during the whole of the period from 1st July 2015 to the date of this report.

Mr M C Lamb
Mrs M E Lamb
Mr R Daniels

AUDIT REPORT

The Independent Auditors' Report to the Financial Conduct Authority is attached at the back of our accounts.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Strategic Report, the Report of the Directors 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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

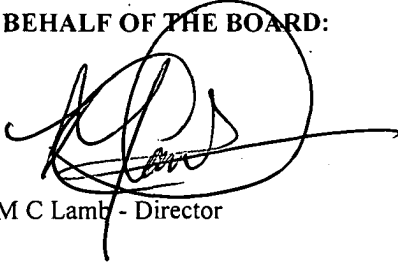
**JOSEPH R LAMB INDEPENDENT FINANCIAL
ADVISERS LIMITED (REGISTERED NUMBER: 03928438)**

**Report of the Directors
For The Year Ended 30th June 2016**

AUDITORS

The auditors, Wilkins Kennedy LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:

A handwritten signature in black ink, appearing to be 'M C Lamb', written over a circular stamp or seal.

Mr M C Lamb - Director

19th October 2016

**Report of the Independent Auditors to the Members of
Joseph R Lamb Independent Financial
Advisers Limited**

We have audited the financial statements of Joseph R Lamb Independent Financial Advisers Limited for the year ended 30th June 2016 on pages eight to twenty four. The financial reporting framework that has been applied in their preparation is 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'.

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 those matters we are required to state to them in a Report of the Auditors 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 auditors

As explained more fully in the Statement of Directors' Responsibilities set out on page four, 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

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Strategic Report and the Report of the Directors to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

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 30th June 2016 and of its profit for the year 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.

Opinion on other matter prescribed by the Companies Act 2006

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

**Report of the Independent Auditors to the Members of
Joseph R Lamb Independent Financial
Advisers Limited**

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.

Wilkins Kennedy LLP
Julian Golding (Senior Statutory Auditor)
for and on behalf of Wilkins Kennedy LLP
Statutory Auditor
Chartered Accountants
1-5 Nelson Street
Southend on Sea
Essex
SS1 1EG

19th October 2016

**JOSEPH R LAMB INDEPENDENT FINANCIAL
ADVISERS LIMITED (REGISTERED NUMBER: 03928438)**

**Income Statement
For The Year Ended 30th June 2016**

| | Notes | 2016 £ | 2015 £ |
|----------------------------------------|-------|-----------------------|-----------------------|
| TURNOVER | | 3,216,327 | 2,898,930 |
| Cost of sales | | <u>605,400</u> | <u>609,046</u> |
| GROSS PROFIT | | 2,610,927 | 2,289,884 |
| Administrative expenses | | <u>1,450,979</u> | <u>1,445,560</u> |
| OPERATING PROFIT | 4 | 1,159,948 | 844,324 |
| Interest receivable and similar income | | <u>4,347</u> | <u>3,181</u> |
| | | 1,164,295 | 847,505 |
| Interest payable and similar expenses | 5 | <u>5,629</u> | <u>500</u> |
| PROFIT BEFORE TAXATION | | 1,158,666 | 847,005 |
| Tax on profit | 6 | <u>242,316</u> | <u>180,018</u> |
| PROFIT FOR THE FINANCIAL YEAR | | <u>916,350</u> | <u>666,987</u> |

The notes form part of these financial statements

**JOSEPH R LAMB INDEPENDENT FINANCIAL
ADVISERS LIMITED (REGISTERED NUMBER: 03928438)**

**Other Comprehensive Income
For The Year Ended 30th June 2016**

| | Notes | 2016 £ | 2015 £ |
|----------------------------------------------------|-------|-----------------------|-----------------------|
| PROFIT FOR THE YEAR | | 916,350 | 666,987 |
| OTHER COMPREHENSIVE INCOME | | - | - |
| TOTAL COMPREHENSIVE INCOME FOR THE YEAR | | <u>916,350</u> | <u>666,987</u> |

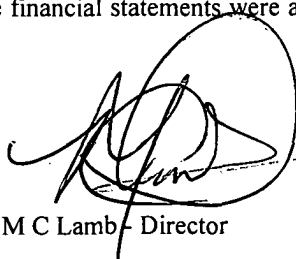
The notes form part of these financial statements

**JOSEPH R LAMB INDEPENDENT FINANCIAL
ADVISERS LIMITED (REGISTERED NUMBER: 03928438)**

**Balance Sheet
30th June 2016**

| | Notes | 2016 £ | 2015 £ |
|----------------------------------------------|-------|------------------|----------------|
| FIXED ASSETS | | | |
| Intangible assets | 8 | 608,972 | - |
| Tangible assets | 9 | 238,974 | 263,154 |
| | | <u>847,946</u> | <u>263,154</u> |
| CURRENT ASSETS | | | |
| Debtors | 10 | 415,427 | 65,474 |
| Cash at bank and in hand | | 225,088 | 498,682 |
| | | <u>640,515</u> | <u>564,156</u> |
| CREDITORS | | | |
| Amounts falling due within one year | 11 | 355,862 | 327,576 |
| NET CURRENT ASSETS | | <u>284,653</u> | <u>236,580</u> |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | <u>1,132,599</u> | <u>499,734</u> |
| CREDITORS | | | |
| Amounts falling due after more than one year | 12 | (174,997) | |
| PROVISIONS FOR LIABILITIES | 15 | (10,872) | (832) |
| NET ASSETS | | <u>946,730</u> | <u>498,902</u> |
| CAPITAL AND RESERVES | | | |
| Called up share capital | 16 | 10,000 | 10,000 |
| Retained earnings | 17 | 936,730 | 488,902 |
| SHAREHOLDERS' FUNDS | | <u>946,730</u> | <u>498,902</u> |

The financial statements were approved by the Board of Directors on 19th October 2016 and were signed on its behalf by:



Mr M C Lamb - Director

The notes form part of these financial statements

**JOSEPH R LAMB INDEPENDENT FINANCIAL
ADVISERS LIMITED (REGISTERED NUMBER: 03928438)**

**Statement of Changes in Equity
For The Year Ended 30th June 2016**

| | Called up share capital £ | Retained earnings £ | Total equity £ |
|----------------------------------|------------------------------------|---------------------------|----------------------|
| Balance at 1st July 2014 | 10,000 | 468,191 | 478,191 |
| Changes in equity | | | |
| Dividends | - | (646,276) | (646,276) |
| Total comprehensive income | - | 666,987 | 666,987 |
| Balance at 30th June 2015 | 10,000 | 488,902 | 498,902 |
| Changes in equity | | | |
| Dividends | - | (468,522) | (468,522) |
| Total comprehensive income | - | 916,350 | 916,350 |
| Balance at 30th June 2016 | 10,000 | 936,730 | 946,730 |

The notes form part of these financial statements

**JOSEPH R LAMB INDEPENDENT FINANCIAL
ADVISERS LIMITED (REGISTERED NUMBER: 03928438)**

**Cash Flow Statement
For The Year Ended 30th June 2016**

| | | 2016 | 2015 |
|---------------------------------------------------------|-------|-----------------------|-----------------------|
| | Notes | £ | £ |
| Cash flows from operating activities | | | |
| Cash generated from operations | 1 | 723,117 | 952,147 |
| Interest paid | | (5,629) | (500) |
| Tax paid | | (190,681) | (210,259) |
| Net cash from operating activities | | <u>526,807</u> | <u>741,388</u> |
| Cash flows from investing activities | | | |
| Purchase of intangible fixed assets | | (619,294) | - |
| Purchase of tangible fixed assets | | (7,122) | (63,829) |
| Sale of tangible fixed assets | | 65,740 | 10,999 |
| Interest received | | 4,347 | 3,181 |
| Net cash from investing activities | | <u>(556,329)</u> | <u>(49,649)</u> |
| Cash flows from financing activities | | | |
| New loans in year | | 225,000 | - |
| Amount withdrawn by directors | | (550) | 158 |
| Equity dividends paid | | (468,522) | (646,276) |
| Net cash from financing activities | | <u>(244,072)</u> | <u>(646,118)</u> |
| (Decrease)/increase in cash and cash equivalents | | <u>(273,594)</u> | <u>45,621</u> |
| Cash and cash equivalents at beginning of year | 2 | 498,682 | 453,061 |
| Cash and cash equivalents at end of year | 2 | <u><u>225,088</u></u> | <u><u>498,682</u></u> |

The notes form part of these financial statements

**JOSEPH R LAMB INDEPENDENT FINANCIAL
ADVISERS LIMITED (REGISTERED NUMBER: 03928438)**

**Notes to the Cash Flow Statement
For The Year Ended 30th June 2016**

1. RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS

| | 2016 £ | 2015 £ |
|--------------------------------------------------|-----------------------|-----------------------|
| Profit before taxation | 1,158,666 | 847,005 |
| Depreciation charges | (16,813) | 82,091 |
| Profit on disposal of fixed assets | (7,303) | (2,676) |
| Finance costs | 5,629 | 500 |
| Finance income | (4,347) | (3,181) |
| | <u>1,135,832</u> | <u>923,739</u> |
| Increase in trade and other debtors | (349,953) | (2,282) |
| (Decrease)/increase in trade and other creditors | (62,762) | 30,690 |
| | <u>723,117</u> | <u>952,147</u> |
| Cash generated from operations | <u><u>723,117</u></u> | <u><u>952,147</u></u> |

2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

Year ended 30th June 2016

| | 30/6/16 £ | 1/7/15 £ |
|---------------------------|-----------------------|-----------------------|
| Cash and cash equivalents | <u><u>225,088</u></u> | <u><u>498,682</u></u> |

Year ended 30th June 2015

| | 30/6/15 £ | 1/7/14 £ |
|---------------------------|-----------------------|-----------------------|
| Cash and cash equivalents | <u><u>498,682</u></u> | <u><u>453,061</u></u> |

The notes form part of these financial statements

**JOSEPH R LAMB INDEPENDENT FINANCIAL
ADVISERS LIMITED (REGISTERED NUMBER: 03928438)**

**Notes to the Financial Statements
For The Year Ended 30th June 2016**

1. STATUTORY INFORMATION

Joseph R Lamb Independent Financial Advisers Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The company transitioned from the previously extant UK GAAP to FRS 102 as at 1 July 2014. An explanation of how transition to FRS 102 has affected the reported financial position and financial performance is given in the notes to the financial statements.

After reviewing the group's forecasts and projections, the directors have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future. The group therefore continues to adopt the going concern basis in preparing its consolidated financial statements.

Turnover

Turnover generally comprises fees received for work carried out as an Independent Financial Advisor and these are credited to the profit and loss account in the year in which the relevant policies are signed. Additionally, in accordance with the principles of revenue recognition, income is recognised as the right to consideration obtained through performance of contractual obligations. Consequently a proportion of income relates to work carried out by the year end under contract but not yet received by the balance sheet date.

Goodwill

Goodwill, being the amount paid in connection with the acquisition of a business in 2016, is being amortised evenly over its estimated useful life of ten years.

If there is an indication that there has been a significant change in amortisation rate or residual value of an asset, the amortisation of that asset is revised prospectively to reflect the new expectations.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

| | |
|--------------------------|---------------------------|
| Improvements to property | - Over 10 years |
| Furniture & equipment | - 25% on reducing balance |
| Motor vehicles | - 25% on reducing balance |
| Computer equipment | - 33% on reducing balance |

**JOSEPH R LAMB INDEPENDENT FINANCIAL
ADVISERS LIMITED (REGISTERED NUMBER: 03928438)**

**Notes to the Financial Statements - continued
For The Year Ended 30th June 2016**

2. ACCOUNTING POLICIES - continued

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax with the following exceptions:

Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets and gains on disposal of fixed assets that have rolled over into the replacement assets, only to the extent that at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However no provision is made where, on the basis of all available at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold.

Deferred tax assets are recognised only to the extent that the directors consider it is more likely than not that there will be suitable taxable profits from which the future reversal of underlying timing differences can be deducted.

Deferred tax is measured at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

The company contributes to a pension paid on behalf of 1 director.

Impairment of assets

At each reporting date fixed assets are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected asset is estimated and compared with its carrying amount. If estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in profit or loss.

If an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

3. EMPLOYEES AND DIRECTORS

| | 2016 £ | 2015 £ |
|-----------------------|----------------|----------------|
| Wages and salaries | 673,870 | 563,583 |
| Social security costs | 68,529 | 54,962 |
| Other pension costs | 48,197 | 120,011 |
| | <u>790,596</u> | <u>738,556</u> |

**JOSEPH R LAMB INDEPENDENT FINANCIAL
ADVISERS LIMITED (REGISTERED NUMBER: 03928438)**

**Notes to the Financial Statements - continued
For The Year Ended 30th June 2016**

3. EMPLOYEES AND DIRECTORS - continued

The average monthly number of employees during the year was as follows:

| | 2016 | 2015 |
|----------------|-----------|-----------|
| Management | 3 | 4 |
| Administration | 20 | 18 |
| | <u>23</u> | <u>22</u> |

| | 2016 £ | 2015 £ |
|------------------------------------------------------------|---------------|---------------|
| Directors' remuneration | 111,964 | 104,853 |
| Directors' pension contributions to money purchase schemes | <u>20,000</u> | <u>80,000</u> |

The number of directors to whom retirement benefits were accruing was as follows:

| | | |
|------------------------|----------|----------|
| Money purchase schemes | <u>3</u> | <u>3</u> |
|------------------------|----------|----------|

4. OPERATING PROFIT

The operating profit is stated after charging/(crediting):

| | 2016 £ | 2015 £ |
|-------------------------------------------|--------------|--------------|
| Hire of plant and machinery | 141,946 | 134,440 |
| Depreciation - owned assets | (27,135) | 82,091 |
| Profit on disposal of fixed assets | (7,303) | (2,676) |
| Goodwill amortisation | 10,322 | - |
| Auditors' remuneration | 10,560 | 10,800 |
| Auditors' remuneration for non audit work | <u>1,345</u> | <u>4,260</u> |

5. INTEREST PAYABLE AND SIMILAR EXPENSES

| | 2016 £ | 2015 £ |
|--------------------------|--------------|------------|
| Bank loan interest | 5,629 | - |
| Corporation tax interest | - | 500 |
| | <u>5,629</u> | <u>500</u> |

**JOSEPH R LAMB INDEPENDENT FINANCIAL
ADVISERS LIMITED (REGISTERED NUMBER: 03928438)**

**Notes to the Financial Statements - continued
For The Year Ended 30th June 2016**

6. TAXATION

Analysis of the tax charge

The tax charge on the profit for the year was as follows:

| | 2016 £ | 2015 £ |
|--------------------|----------------|----------------|
| Current tax: | | |
| UK corporation tax | 232,277 | 190,681 |
| Deferred tax | 10,039 | (10,663) |
| Tax on profit | <u>242,316</u> | <u>180,018</u> |

Reconciliation of total tax charge included in profit and loss

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

| | 2016 £ | 2015 £ |
|------------------------------------------------------------------------------------------------|------------------|----------------|
| Profit before tax | <u>1,158,666</u> | <u>847,005</u> |
| Profit multiplied by the standard rate of corporation tax in the UK of 20% (2015 - 20.634%) | 231,733 | 174,771 |
| Effects of: | | |
| Expenses not deductible for tax purposes | 12,541 | 5,473 |
| Capital allowances in excess of depreciation | (10,537) | - |
| Depreciation in excess of capital allowances | - | 10,989 |
| Profit on disposal of fixed asset | (1,460) | (552) |
| Accelerated capital allowances | 10,039 | (10,663) |
| Total tax charge | <u>242,316</u> | <u>180,018</u> |

7. DIVIDENDS

| | 2016 £ | 2015 £ |
|----------------------------|----------------|----------------|
| Ordinary shares of £1 each | | |
| Interim | <u>468,522</u> | <u>646,276</u> |

**JOSEPH R LAMB INDEPENDENT FINANCIAL
ADVISERS LIMITED (REGISTERED NUMBER: 03928438)**

**Notes to the Financial Statements - continued
For The Year Ended 30th June 2016**

8. INTANGIBLE FIXED ASSETS

| | Goodwill £ |
|-----------------------|---------------|
| COST | |
| Additions | 619,294 |
| At 30th June 2016 | 619,294 |
| AMORTISATION | |
| Amortisation for year | 10,322 |
| At 30th June 2016 | 10,322 |
| NET BOOK VALUE | |
| At 30th June 2016 | 608,972 |

Amortisation of intangible fixed assets is included in administrative expenses.

9. TANGIBLE FIXED ASSETS

| | Improvements to property £ | Furniture & equipment £ | Motor vehicles £ | Computer equipment £ | Totals £ |
|------------------------|-------------------------------------|-------------------------------|------------------------|----------------------------|-------------|
| COST | | | | | |
| At 1st July 2015 | 29,665 | 204,219 | 275,484 | 178,502 | 687,870 |
| Additions | - | 3,696 | - | 3,426 | 7,122 |
| Disposals | - | - | (85,000) | - | (85,000) |
| At 30th June 2016 | 29,665 | 207,915 | 190,484 | 181,928 | 609,992 |
| DEPRECIATION | | | | | |
| At 1st July 2015 | 23,765 | 173,696 | 82,076 | 145,179 | 424,716 |
| Charge for year | 2,967 | 7,708 | (49,902) | 12,092 | (27,135) |
| Eliminated on disposal | - | - | (26,563) | - | (26,563) |
| At 30th June 2016 | 26,732 | 181,404 | 5,611 | 157,271 | 371,018 |
| NET BOOK VALUE | | | | | |
| At 30th June 2016 | 2,933 | 26,511 | 184,873 | 24,657 | 238,974 |
| At 30th June 2015 | 5,900 | 30,523 | 193,408 | 33,323 | 263,154 |

10. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 2016 £ | 2015 £ |
|--------------------------------|-----------|-----------|
| Trade debtors | 250,227 | 48,506 |
| Other debtors | 159,682 | - |
| Prepayments and accrued income | 5,518 | 16,968 |
| | 415,427 | 65,474 |

**JOSEPH R LAMB INDEPENDENT FINANCIAL
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**Notes to the Financial Statements - continued
For The Year Ended 30th June 2016**

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 2016 | 2015 |
|-----------------------------------------|----------------|----------------|
| | £ | £ |
| Bank loans and overdrafts (see note 13) | 50,003 | - |
| Trade creditors | 35,408 | 42,144 |
| Tax | 232,277 | 190,681 |
| Social security and other taxes | 15,715 | 16,944 |
| Directors' loan accounts | 13 | 563 |
| Accrued expenses | 22,446 | 77,244 |
| | <u>355,862</u> | <u>327,576</u> |

12. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

| | 2016 | 2015 |
|--------------------------|----------------|----------|
| | £ | £ |
| Bank loans (see note 13) | <u>174,997</u> | <u>-</u> |

13. LOANS

An analysis of the maturity of loans is given below:

| | 2016 | 2015 |
|---------------------------------------------------|----------------|----------|
| | £ | £ |
| Amounts falling due within one year or on demand: | | |
| Bank loans | <u>50,003</u> | <u>-</u> |
| Amounts falling due between one and two years: | | |
| Bank loans - 1-2 years | <u>50,003</u> | <u>-</u> |
| Amounts falling due between two and five years: | | |
| Bank loans - 2-5 years | <u>124,994</u> | <u>-</u> |

The group has a loan with Funding Circle of £225,000. The loan is repayable over the period until 2020. The interest rate on the loan is 8.30%.

14. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

| | 2016 | 2015 |
|-----------------|----------|----------------|
| | £ | £ |
| Within one year | <u>-</u> | <u>130,850</u> |

15. PROVISIONS FOR LIABILITIES

| | 2016 | 2015 |
|--------------|---------------|------------|
| | £ | £ |
| Deferred tax | <u>10,872</u> | <u>832</u> |

**JOSEPH R LAMB INDEPENDENT FINANCIAL
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**Notes to the Financial Statements - continued
For The Year Ended 30th June 2016**

15. PROVISIONS FOR LIABILITIES - continued

| | Deferred tax £ |
|--------------------------------|----------------------|
| Balance at 1st July 2015 | 832 |
| Accelerated capital allowances | 10,040 |
| | <u>10,872</u> |
| Balance at 30th June 2016 | <u>10,872</u> |

16. CALLED UP SHARE CAPITAL

| Allotted, issued and fully paid: | | | | |
|----------------------------------|-------------------------|-------------------|---------------|---------------|
| Number: | Class: | Nominal value: | 2016 £ | 2015 £ |
| 666,600 | Ordinary 1p | 1p | 6,666 | 6,666 |
| 333,400 | Special Ordinary Shares | 1p | 3,334 | 3,334 |
| | | | <u>10,000</u> | <u>10,000</u> |

Ordinary and Special Ordinary shares have attached to them full voting, dividend and capital distribution (including on winding up) rights; they do not confer any rights of redemption. However the Special Ordinary shares have specific rights as set out in the articles of association on the sale of such shares and have limited rights on a winding up or return of capital.

17. RESERVES

| | Retained earnings £ |
|---------------------|---------------------------|
| At 1st July 2015 | 488,902 |
| Profit for the year | 916,350 |
| Dividends | (468,522) |
| | <u>936,730</u> |
| At 30th June 2016 | <u>936,730</u> |

18. PENSION COMMITMENTS

The company contributes into a defined contribution pension scheme on behalf of three directors. The assets of the scheme are administered by trustees in a fund held independent from those of the company.

Contributions paid in the year to 30th June 2016 amounted to £20,000 (2015 - £80,000).

19. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES

The directors J. R. Lamb, C.B.Lamb, M.E.Lamb and M.C. Lamb each held an interest of 17%, 17%, 25% and 41% respectively. In the total dividends of £468,522 (2015: £646,276) were paid by the company, during the year.

Rent on the leasehold premises of £120,000 (2015: £120,000) was paid to the above directors by the company.

**JOSEPH R LAMB INDEPENDENT FINANCIAL
ADVISERS LIMITED (REGISTERED NUMBER: 03928438)**

**Notes to the Financial Statements - continued
For The Year Ended 30th June 2016**

20. ULTIMATE CONTROLLING PARTY

The controlling party and the ultimate controlling party are not known.

21. FIRST YEAR ADOPTION

This is the first year that Joseph R Lamb Independent Financial Advisors Limited has prepared its results under FRS 102. The last financial statements prepared under previous UK GAAP were for the year ended 30 June 2015. The date of transition to FRS 102 was 1 April 2014. No transition differences have been identified on transition from previous UK GAAP to FRS 102.

**JOSEPH R LAMB INDEPENDENT FINANCIAL
ADVISERS LIMITED (REGISTERED NUMBER: 03928438)**

**Reconciliation of Equity
1st July 2014
(Date of Transition to FRS 102)**

| | Notes | UK GAAP £ | Effect of transition to FRS 102 £ | FRS 102 £ |
|--------------------------------------------------|-------|-----------------|--------------------------------------------|--------------|
| FIXED ASSETS | | | | |
| Tangible assets | | 289,739 | - | 289,739 |
| CURRENT ASSETS | | | | |
| Debtors | | 63,192 | - | 63,192 |
| Cash at bank and in hand | | 453,061 | - | 453,061 |
| | | 516,253 | - | 516,253 |
| CREDITORS | | | | |
| Amounts falling due within one year | | (316,305) | - | (316,305) |
| NET CURRENT ASSETS | | 199,948 | - | 199,948 |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | 489,687 | - | 489,687 |
| PROVISIONS FOR LIABILITIES | | (11,496) | - | (11,496) |
| NET ASSETS | | 478,191 | - | 478,191 |
| CAPITAL AND RESERVES | | | | |
| Called up share capital | | 10,000 | - | 10,000 |
| Retained earnings | | 468,191 | - | 468,191 |
| SHAREHOLDERS' FUNDS | | 478,191 | - | 478,191 |

The notes form part of these financial statements

**JOSEPH R LAMB INDEPENDENT FINANCIAL
ADVISERS LIMITED (REGISTERED NUMBER: 03928438)**

**Reconciliation of Equity - continued
30th June 2015**

| | Notes | UK GAAP £ | Effect of transition to FRS 102 £ | FRS 102 £ |
|--------------------------------------------------|-------|-----------------|--------------------------------------------|--------------|
| FIXED ASSETS | | | | |
| Tangible assets | | 263,154 | - | 263,154 |
| CURRENT ASSETS | | | | |
| Debtors | | 65,474 | - | 65,474 |
| Cash at bank and in hand | | 498,682 | - | 498,682 |
| | | 564,156 | - | 564,156 |
| CREDITORS | | | | |
| Amounts falling due within one year | | (327,576) | - | (327,576) |
| NET CURRENT ASSETS | | 236,580 | - | 236,580 |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | 499,734 | - | 499,734 |
| PROVISIONS FOR LIABILITIES | | (832) | - | (832) |
| NET ASSETS | | 498,902 | - | 498,902 |
| CAPITAL AND RESERVES | | | | |
| Called up share capital | | 10,000 | - | 10,000 |
| Retained earnings | | 488,902 | - | 488,902 |
| SHAREHOLDERS' FUNDS | | 498,902 | - | 498,902 |

The notes form part of these financial statements

**JOSEPH R LAMB INDEPENDENT FINANCIAL
ADVISERS LIMITED (REGISTERED NUMBER: 03928438)**

**Reconciliation of Profit
For The Year Ended 30th June 2015**

| | UK GAAP £ | Effect of transition to FRS 102 £ | FRS 102 £ |
|----------------------------------------|--------------------------|------------------------------------------------------|----------------------|
| TURNOVER | 2,898,930 | - | 2,898,930 |
| Cost of sales | (609,046) | - | (609,046) |
| GROSS PROFIT | 2,289,884 | - | 2,289,884 |
| Administrative expenses | (1,445,560) | - | (1,445,560) |
| OPERATING PROFIT | 844,324 | - | 844,324 |
| Interest receivable and similar income | 3,181 | - | 3,181 |
| Interest payable and similar expenses | (500) | - | (500) |
| PROFIT BEFORE TAXATION | 847,005 | - | 847,005 |
| Tax on profit | (180,018) | - | (180,018) |
| PROFIT FOR THE FINANCIAL YEAR | 666,987 | - | 666,987 |

The notes form part of these financial statements