

Annual Report
for the Year Ended 31 March 2019
for
2C Consulting Limited Directors
Pension Scheme

Johal & Company
Chartered Certified Accountants
& Registered Auditors
Spectrum House
2B Suttons Lane
Hornchurch
Essex
RM12 6RJ

2C Consulting Limited Directors
Pension Scheme

Contents of the Annual Report
for the Year Ended 31 March 2019

	Page
Trustees and Advisers	1
Report of the Trustees	2
Financial Statements:	
Fund Account	3
Net Assets Statement	4
Notes to the Financial Statements	5

2C Consulting Limited Directors
Pension Scheme

Trustees and Advisers
for the Year Ended 31 March 2019

CHAIR:	P J Barnes
OTHER TRUSTEES:	Mrs S A Barnes
SPONSORING EMPLOYER:	2C Consulting limited 35 Mount Echo Drive Chingford London E4 7LA

2C Consulting Limited Directors
Pension Scheme

Report of the Trustees
for the Year Ended 31 March 2019

The trustees present their report for the year ended 31 March 2019.

MANAGEMENT OF THE SCHEME

The trustees during the year under review were:

P J Barnes
Mrs S A Barnes

MEMBERSHIP

Details of membership of the scheme during the year are shown below:

	At 1.4.18	Increase	Decrease	At 31.3.19
Active members	2	-	-	2
Pensioners	-	-	-	-
Deferred pensioners	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
	2	-	-	2
	<hr/>	<hr/>	<hr/>	<hr/>

INVESTMENT MANAGEMENT

The trustees are responsible for administration and determining the Scheme's investment strategy. Request for additional information about the scheme generally, or queries relating to members' own benefits should be sent to the trustees, whose address appears on page 1 of this report.

COMPLIANCE MATTERS

The scheme is governed by a definitive trust deed and rules dated 15th September 1978.

Signed on behalf of the Trustees:

.....
P J Barnes

Date:

2C Consulting Limited Directors
Pension Scheme

Fund Account
for the Year Ended 31 March 2019

	Notes	31.3.19 £	31.3.18 £
CONTRIBUTIONS AND BENEFITS			
Employer contributions		-	80,000
Employee contributions		-	-
Total contributions	2	-	80,000
Administrative expenses	3	(1,035)	(840)
Net (withdrawals)/additions from dealings with members		(1,035)	79,160
RETURNS ON INVESTMENTS			
Investment income	4	30,477	25,778
Change in market value of investments	6	(15,454)	(43,628)
Net returns on investments		15,023	(17,850)
NET INCREASE IN THE FUND DURING THE YEAR		13,988	61,310
NET ASSETS OF THE SCHEME AT 1 APRIL 2018		498,297	436,987
AT 31 MARCH 2019		512,285	498,297

2C Consulting Limited Directors
Pension Scheme

Statement of Net Assets Available for Benefits
31 March 2019

	Notes	31.3.19 £	31.3.18 £
INVESTMENT ASSETS	6		
Pooled investment vehicles	8	514,334	499,311
Current assets	11	1,551	1,746
Current liabilities	12	(3,600)	(2,760)
NET ASSETS OF THE SCHEME AT 31 MARCH 2019		<u>512,285</u>	<u>498,297</u>

The financial statements summarise the transactions of the scheme and deal with the net assets at the disposal of the trustees. They do not take account of obligations to pay pensions and benefits which fall due after the end of the scheme year.

These financial statements were approved by the Trustees on

Signed on behalf of the Trustees:

.....
P J Barnes

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements have been prepared in accordance with the Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the guidance set out in the Statement of Recommended Practice, Financial Reports of Pension Schemes (revised November 2014).

Contributions

Employee contributions, including AVCs, are accounted for by the Trustees when they are deducted from pay by the Employer, except for the first contribution due where the employee has been auto-enrolled by the Employer, in which case it is accounted for when received by the scheme.

Employer normal contributions that are expressed as a rate of salary are accounted for on the same basis as employee contributions, in accordance with the Schedule of Contributions in force during the year.

Employer augmentation contributions are accounted for in accordance with the agreement under which they are payable.

Employer deficit funding contributions are accounted for on the due dates on which they are payable under the Schedule of Contributions or on receipt if earlier with the agreement of the Employer and the Trustees.

Employer S75 debt contributions are accounted for when a reasonable estimate of the amount due can be determined.

Payments to members

Pensions in payment are accounted for in the period to which they relate.

Benefits are accounted for in the period in which the member notifies the Trustees of his decision on the type or amount of benefit to be taken or, if there is no member choice, they are accounted for on the date of retirement or leaving.

Opt-outs are accounted for when the Scheme is notified of the opt-out.

Individual transfers in and out of the Scheme are accounted for when member liability is accepted or discharged which is normally when the transfer amount is paid or received.

Group transfers

Group transfers are accounted for in accordance with the terms of the transfer agreement.

Expenses

Expenses are accounted for on an accruals basis.

Investment income

Dividends from equities are accounted for on the ex-dividend date.

Income from bonds is accounted for on an accruals basis and includes interest bought and sold on investment purchases and sales.

Rental income is accounted for on an accruals basis.

Income from pooled investment vehicles is accounted for when declared by the fund manager.

Receipts from annuity policies are accounted for as investment income on an accruals basis.

Change in market value of investments

The change in market value of investments during the year comprises all increases and decreases in the market value of investments held at any time during the year, including profits and losses realised on sales of investments during the year.

1. **ACCOUNTING POLICIES - continued**

Investments

Investments are stated at fair value on the final working day of the accounting year. Investment management fees are accounted for on an accruals basis and are separately disclosed in the notes. These fees and acquisition costs are included in the purchase cost of investments.

Foreign currencies

The scheme functional and presentation currency is pounds sterling. Monetary items denominated in foreign currency are translated into sterling using the closing exchange rates at the scheme year-end. Foreign currency transactions are recorded in sterling at the spot exchange at the date of the transaction.

2. **CONTRIBUTIONS**

	31.3.19 £	31.3.18 £
Employer contributions		
Normal	-	80,000
	<u> </u>	<u> </u>
Employee contributions	-	-
	<u> </u>	<u> </u>
Total contributions	-	80,000
	<u> </u>	<u> </u>

3. **ADMINISTRATIVE EXPENSES**

	31.3.19 £	31.3.18 £
Professional fees	195	-
Accountancy fees	840	840
	<u> </u>	<u> </u>
	1,035	840
	<u> </u>	<u> </u>

4. **INVESTMENT INCOME**

	31.3.19 £	31.3.18 £
Dividends from equities	30,469	25,777
Interest on cash deposits	8	1
	<u> </u>	<u> </u>
	30,477	25,778
	<u> </u>	<u> </u>

5. **TAXATION**

	31.3.19 £	31.3.18 £
	<u> </u>	<u> </u>

6. **RECONCILIATION OF INVESTMENTS**

	Value at 1.4.18 £	Purchases at cost £	Change in market value £	Value at 31.3.19 £
Pooled investment vehicles	499,311	30,477	(15,454)	514,334
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

6. **RECONCILIATION OF INVESTMENTS - continued**

Investments purchased by the scheme are allocated to provide benefits to the individuals on whose behalf corresponding contributions are paid. The investment manager holds the investment units on a pooled basis for the trustees. The scheme administrator allocates investment units to members. The trustees may hold investment units representing the value of employer contributions that have been retained by the scheme that relate to members leaving the scheme prior to vesting.

Investments are as follows:

	31.3.19 £	31.3.18 £
Held for the general purpose of the scheme	514,334	499,311
	<u>514,334</u>	<u>499,311</u>

7. **TRANSACTION COSTS**

Transaction costs are included in the cost of purchases and deducted from sales proceeds. Direct transaction costs include costs charged to the scheme such as fees, commissions and stamp duty.

Transaction costs analysed by main asset class and type of cost are as follows:

	31.3.19 Total £	31.3.18 Total £
	-	-
31.3.18		

8. **POOLED INVESTMENT VEHICLES**

	31.3.19 £	31.3.18 £
Equity	514,334	499,311

9. **FAIR VALUE DETERMINATION**

The fair value of financial instruments has been estimated using the following fair value hierarchy:

Level 1	The unadjusted quote price in an active market for identical assets or liabilities that the entity can access at the measurement date.
Level 2	Inputs other than quoted prices included with Level 1 that are observable (i.e. developed using market data) for the asset or liability, either directly or indirectly.
Level 3	Inputs are unobservable (i.e. for which market data is unavailable) for the asset or liability.

9. **FAIR VALUE DETERMINATION - continued**

The scheme's investment assets have been fair valued using the above hierarchy levels as follows:

31 March 2019				
	Level 1 £	Level 2 £	Level 3 £	Total £
Pooled investment vehicles	514,334	-	-	514,334
	<u>514,334</u>	<u>-</u>	<u>-</u>	<u>514,334</u>
	<u><u>514,334</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>514,334</u></u>
31 March 2018				
	Level 1 £	Level 2 £	Level 3 £	Total £
Pooled investment vehicles	499,311	-	-	499,311
	<u>499,311</u>	<u>-</u>	<u>-</u>	<u>499,311</u>
	<u><u>499,311</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>499,311</u></u>

10. **INVESTMENT RISK DISCLOSURES**

FRS 102 requires the disclosure of information in relation to certain investment risks. These risks are set out by FRS 102 as follows:

Credit risk

This is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge the obligation.

Market risk

This comprises currency risk, interest rate risk and other price risk.

- **Currency risk**

This is the risk that the fair value or future cash flows of a financial asset will fluctuate because of changes in foreign exchange rates.

- **Interest rate risk**

This is the risk that the fair value or future cash flows of a financial asset will fluctuate because of changes in market interest rates.

- **Other price risk**

This is the risk that the fair value or future cash flows of a financial asset will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

Credit risk

The scheme is subject to credit risk as the Scheme has cash balances. The Scheme also invests in pooled investment vehicles and is therefore directly exposed to credit risk in relation to the instruments it holds in the pooled investment vehicles and is indirectly exposed to credit risks arising on the financial instruments held by the pooled investment vehicles.

Currency risk

The scheme is not subject to currency risk as all transactions during the year were carried out using the functional and presentation currency.

Interest rate risk

The scheme is subject to interest rate risk as a result of cash balances held with financial institutions.

10. **INVESTMENT RISK DISCLOSURES - continued**

Other price risk

Other price risk arises principally in relation to the scheme's return seeking portfolio which includes trading in equities. The scheme expects to manage this exposure to other price risk by constructing a diverse portfolio of investments across various markets.

11. **CURRENT ASSETS**

	31.3.19	31.3.18
	£	£
Cash balances	1,551	1,746
	<u> </u>	<u> </u>

12. **CURRENT LIABILITIES**

	31.3.19	31.3.18
	£	£
Accrued expenses	3,600	2,760
	<u> </u>	<u> </u>