

**REGISTERED NUMBER: 09046342 (England and Wales)**

**STRATEGIC REPORT, REPORT OF THE DIRECTOR AND  
FINANCIAL STATEMENTS  
FOR THE PERIOD 1 JUNE 2019 TO 31 DECEMBER 2019  
FOR  
HOLBORN ASSETS LTD**

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FOR THE PERIOD 1 JUNE 2019 TO 31 DECEMBER 2019**

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**HOLBORN ASSETS LTD**

**COMPANY INFORMATION  
FOR THE PERIOD 1 JUNE 2019 TO 31 DECEMBER 2019**

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**DIRECTOR:** C G M Wicks

**REGISTERED OFFICE:** Suite 5  
Chester House  
79 Dane Road  
Sale  
Cheshire  
M33 7BP

**REGISTERED NUMBER:** 09046342 (England and Wales)

**AUDITORS:** Harold Sharp Limited  
Statutory Auditors and Chartered Accountants  
5 Brooklands Place  
Brooklands Road  
Sale  
Cheshire  
M33 3SD

**STRATEGIC REPORT  
FOR THE PERIOD 1 JUNE 2019 TO 31 DECEMBER 2019**

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The director presents his strategic report for the period 1 June 2019 to 31 December 2019.

**REVIEW OF BUSINESS**

The core business of the company is the provision of advice in respect of Defined Benefit Transfers and the provision of ongoing advice services to expatriates who have returned to the UK. The performance of the company for the year is on page 8, and its financial position at the year end is on page 10.

The company has historically relied on introductions from other financial advisers to provide UK Defined Benefit Transfer Advice. Whilst this is still an important part of the business, it is developing marketing activities using SEO and Social Media to procure direct clients which the company would expect to advise and retain to provide ongoing services.

The company is also now using its specialist skills in the expatriate market to provide an advice service to returning expatriates. This is starting to bring in additional recurring income from funds under management as we start to provide ongoing reviews to an increasing number of clients.

**PRINCIPAL RISKS AND UNCERTAINTIES**

In terms of business risks there is always the risk that past business will trigger claims. However the company is backed by very well funded shareholders who are committed to its long term future and who have been boosting its capital base to ensure that it is well placed to deal with pressures that may arise in future.

**ON BEHALF OF THE BOARD:**

C G M Wicks - Director

13 October 2020

**REPORT OF THE DIRECTOR  
FOR THE PERIOD 1 JUNE 2019 TO 31 DECEMBER 2019**

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The director presents his report with the financial statements of the company for the period 1 June 2019 to 31 December 2019.

**PRINCIPAL ACTIVITY**

The principal activity of the company in the period under review was that of investment advice and DB pension transfers.

**DIVIDENDS**

No dividends will be distributed for the period ended 31 December 2019.

**DIRECTOR**

C G M Wicks held office during the whole of the period from 1 June 2019 to the date of this report.

**DISCLOSURE IN THE STRATEGIC REPORT**

The review of the business for the year and the principal risks and uncertainties are included in the strategic report.

**STATEMENT OF DIRECTOR'S RESPONSIBILITIES**

The director is responsible for preparing the Strategic Report, the Report of the Director and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has 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 director must not approve the financial statements unless he is 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 director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The director is 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 him to ensure that the financial statements comply with the Companies Act 2006. He is 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 director is 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 he has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

**REPORT OF THE DIRECTOR  
FOR THE PERIOD 1 JUNE 2019 TO 31 DECEMBER 2019**

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**AUDITORS**

The auditors, Harold Sharp Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

**ON BEHALF OF THE BOARD:**

C G M Wicks - Director

13 October 2020

## **REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF HOLBORN ASSETS LTD**

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### **Opinion**

We have audited the financial statements of Holborn Assets Ltd (the 'company') for the period ended 31 December 2019 which comprise the Income Statement, Other Comprehensive Income, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement and Notes to the Cash Flow Statement, 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 2019 and of its loss 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 Auditors' 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 UK, including the FRC'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 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 director's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the director has 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.

### **Emphasis of matter**

We draw attention to note 2 of the financial statements, which describes the uncertainty regarding the future outcome of regulatory action. These conditions, along with the other matters explained in note 2 to the financial statements, indicate the existence of an uncertainty which may cast doubt about the company's ability to continue as a going concern. The financial statements do not include the adjustments that would result if the company was unable to continue as a going concern. Our opinion is not modified in this respect.

### **Other information**

The director is responsible for the other information. The other information comprises the information in the Strategic Report and the Report of the Director, but does not include the financial statements and our Report of the Auditors 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.

## REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF HOLBORN ASSETS LTD

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### **Opinions 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 Report of the Director for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Report of the Director 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 or the Report of the Director.

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 director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

### **Responsibilities of director**

As explained more fully in the Statement of Director's Responsibilities set out on page three, the director is 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 director determines 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 director is 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 director either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

### **Auditors' 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 a Report of the Auditors 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 the 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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Auditors.



## **REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF HOLBORN ASSETS LTD**

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### **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 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.

Karen Dent (Senior Statutory Auditor)  
for and on behalf of Harold Sharp Limited  
Statutory Auditors and Chartered Accountants  
5 Brooklands Place  
Brooklands Road  
Sale  
Cheshire  
M33 3SD

21 October 2020

**INCOME STATEMENT  
FOR THE PERIOD 1 JUNE 2019 TO 31 DECEMBER 2019**

	Notes	Period 1/6/19 to 31/12/19 £	Year Ended 31/5/19 £
<b>TURNOVER</b>		202,578	235,436
Cost of sales		<u>85,475</u>	<u>91,951</u>
<b>GROSS PROFIT</b>		117,103	143,485
Administrative expenses		<u>175,032</u>	<u>367,341</u>
<b>OPERATING LOSS and LOSS BEFORE TAXATION</b>		(57,929)	(223,856)
Tax on loss	5	<u>-</u>	<u>-</u>
<b>LOSS FOR THE FINANCIAL PERIOD</b>		<u>(57,929)</u>	<u>(223,856)</u>

**OTHER COMPREHENSIVE INCOME  
FOR THE PERIOD 1 JUNE 2019 TO 31 DECEMBER 2019**

	Notes	Period 1/6/19 to 31/12/19 £	Year Ended 31/5/19 £
<b>LOSS FOR THE PERIOD</b>		(57,929)	(223,856)
<b>OTHER COMPREHENSIVE INCOME</b>		<u>-</u>	<u>-</u>
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>		<u>(57,929)</u>	<u>(223,856)</u>

**BALANCE SHEET**  
**31 DECEMBER 2019**

	Notes	2019 £	£	2019 £	£
<b>FIXED ASSETS</b>					
Tangible assets	6		2,963		4,711
<b>CURRENT ASSETS</b>					
Debtors	7	24,438		17,079	
Cash at bank		<u>504,114</u>		<u>510,024</u>	
		528,552		527,103	
<b>CREDITORS</b>					
Amounts falling due within one year	8	<u>35,012</u>		<u>31,382</u>	
<b>NET CURRENT ASSETS</b>			<u>493,540</u>		<u>495,721</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			496,503		500,432
<b>CREDITORS</b>					
Amounts falling due after more than one year	9		<u>3,132</u>		<u>3,132</u>
<b>NET ASSETS</b>			<u>493,371</u>		<u>497,300</u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	13		1,578,865		1,524,865
Retained earnings	14		<u>(1,085,494)</u>		<u>(1,027,565)</u>
<b>SHAREHOLDERS' FUNDS</b>			<u>493,371</u>		<u>497,300</u>

The financial statements were approved by the director and authorised for issue on 13 October 2020 and were signed by:

C G M Wicks - Director

**STATEMENT OF CHANGES IN EQUITY  
FOR THE PERIOD 1 JUNE 2019 TO 31 DECEMBER 2019**

	Called up share capital £	Retained earnings £	Total equity £
<b>Balance at 1 June 2018</b>	1,174,290	(803,709)	370,581
<b>Changes in equity</b>			
Issue of share capital	350,575	-	350,575
Total comprehensive income	-	(223,856)	(223,856)
<b>Balance at 31 May 2019</b>	<u>1,524,865</u>	<u>(1,027,565)</u>	<u>497,300</u>
<b>Changes in equity</b>			
Issue of share capital	54,000	-	54,000
Total comprehensive income	-	(57,929)	(57,929)
<b>Balance at 31 December 2019</b>	<u>1,578,865</u>	<u>(1,085,494)</u>	<u>493,371</u>

**CASH FLOW STATEMENT**  
**FOR THE PERIOD 1 JUNE 2019 TO 31 DECEMBER 2019**

		Period 1/6/19 to 31/12/19 £	Year Ended 31/5/19 £
	Notes		
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	<u>(59,910)</u>	<u>(243,170)</u>
Net cash from operating activities		<u>(59,910)</u>	<u>(243,170)</u>
<b>Cash flows from financing activities</b>			
Share issue		<u>54,000</u>	<u>350,575</u>
Net cash from financing activities		<u>54,000</u>	<u>350,575</u>
<b>(Decrease)/increase in cash and cash equivalents</b>		<u>(5,910)</u>	<u>107,405</u>
<b>Cash and cash equivalents at beginning of period</b>	2	<u>510,024</u>	<u>402,619</u>
<b>Cash and cash equivalents at end of period</b>	2	<u><u>504,114</u></u>	<u><u>510,024</u></u>

The notes form part of these financial statements

**NOTES TO THE CASH FLOW STATEMENT  
FOR THE PERIOD 1 JUNE 2019 TO 31 DECEMBER 2019**

**1. RECONCILIATION OF LOSS BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS**

	Period 1/6/19 to 31/12/19 £	Year Ended 31/5/19 £
Loss before taxation	(57,929)	(223,856)
Depreciation charges	<u>1,747</u>	<u>3,511</u>
	(56,182)	(220,345)
(Increase)/decrease in trade and other debtors	(7,359)	14,716
Increase/(decrease) in trade and other creditors	<u>3,631</u>	<u>(37,541)</u>
<b>Cash generated from operations</b>	<u><u>(59,910)</u></u>	<u><u>(243,170)</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:

**Period ended 31 December 2019**

	31/12/19 £	1/6/19 £
Cash and cash equivalents	<u>504,114</u>	<u>510,024</u>

**Year ended 31 May 2019**

	31/5/19 £	1/6/18 £
Cash and cash equivalents	<u>510,024</u>	<u>402,619</u>

**3. ANALYSIS OF CHANGES IN NET FUNDS**

	At 1/6/19 £	Cash flow £	At 31/12/19 £
<b>Net cash</b>			
Cash at bank	<u>510,024</u>	<u>(5,910)</u>	<u>504,114</u>
	<u>510,024</u>	<u>(5,910)</u>	<u>504,114</u>
<b>Debt</b>			
Debts falling due after 1 year	<u>(3,132)</u>	<u>-</u>	<u>(3,132)</u>
	<u>(3,132)</u>	<u>-</u>	<u>(3,132)</u>
<b>Total</b>	<u><u>506,892</u></u>	<u><u>(5,910)</u></u>	<u><u>500,982</u></u>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD 1 JUNE 2019 TO 31 DECEMBER 2019**

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**1. STATUTORY INFORMATION**

Holborn Assets Ltd is a private company, limited by shares, registered in England and Wales. The company's registered number is 09046342 and the company's registered office is Suite 5, Chester House, 7 Dane Road, Sale, Cheshire, M33 7BP.

**2. ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

These 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 Companies Act 2006.

The financial statements have been prepared under the historical cost convention, on the going concern basis.

The results are presented for the company as a single entity.

The functional currency of the financial statements is the Pound Sterling (£).

**Critical accounting judgements and key sources of estimation uncertainty**

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

**Provisions**

A provision is recognised in the balance sheet when the entity has a present legal or constructive obligation as a result of a past event, that can be reliably measured and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are recognised at the best estimate of the amount required to settle the obligation at the reporting date.

**Turnover**

Turnover represents sales of services including pension transfers and other investment business, including VAT. Income is recognised when the provider has accepted the transfer.



**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE PERIOD 1 JUNE 2019 TO 31 DECEMBER 2019**

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**2. ACCOUNTING POLICIES - continued**

**Tangible fixed assets**

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

Fixtures and fittings -25% straight line

Computer equipment -20% straight line

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses.

At each balance sheet date the company reviews the carrying amount of its tangible fixed assets to determine whether there is any indication that any items have suffered an impairment loss. If any such indication exists, the recoverable amount of an asset is estimated in order to determine the extent of the impairment loss, if any.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. Impairment loss is recognised as an expense immediately.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined (net of depreciation) had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised as income immediately.

**Financial instruments**

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' of FRS 102 to all of its financial instruments.

Financial instruments are recognised when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets, which include other debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method. Financial assets classified as receivable within one year are not amortised.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities, including other creditors, amounts owed to group undertakings, other loans and accruals and deferred income that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest.

Financial liabilities are derecognised when, and only when, the company's contractual obligations are discharged, cancelled, or they expire.

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE PERIOD 1 JUNE 2019 TO 31 DECEMBER 2019**

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**2. ACCOUNTING POLICIES - continued**

**Taxation**

Taxation for the period comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

**Deferred tax**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the period end and that are expected to apply to the reversal of the timing difference.

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

**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.

**Going concern**

At the balance sheet date the company had net assets of £493,371 (31 May 2019: £497,300) and made a loss of £57,929 (31 May 2019: £223,856). The company's parent company, Holborn, is a company incorporated in Bahamas. The parent company are continuing to look to see how they can structure the business more profitably. In the meantime, the parent company's directors have confirmed that the company will continue to receive financial support from its parent company, Holborn.

As with most companies that have undertaken Defined Benefit pension transfers, the company was subject to an FCA Defined Benefit Pension back book review. The result of the review has enabled the company to continue making Defined Benefit pension transfers, in accordance with permissions that are detailed on the FCA website. If any claims arise from pension transfers already undertaken, PI insurers would decline to meet those claims if they are not satisfied that the policy conditions have been met. Claims that have arisen so far have been successfully dealt with, but if a number of the cases become claims this could have an effect on the company's going concern.

After making enquiries and considering the uncertainties described above, the director has a reasonable expectation that the company has adequate resources together with support from the parent company to continue in operational existence for the foreseeable future. On this basis the director considers it appropriate to prepare the financial statements on a going concern basis.

**Operating leases**

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

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE PERIOD 1 JUNE 2019 TO 31 DECEMBER 2019**

**3. EMPLOYEES AND DIRECTORS**

	Period 1/6/19 to 31/12/19 £	Year Ended 31/5/19 £
Wages and salaries	43,693	73,354
Social security costs	2,032	3,405
Other pension costs	677	1,176
	<u>46,402</u>	<u>77,935</u>

The average number of employees during the period was as follows:

	Period 1/6/19 to 31/12/19	Year Ended 31/5/19
Employees	<u>4</u>	<u>4</u>

	Period 1/6/19 to 31/12/19 £	Year Ended 31/5/19 £
Director's remuneration	<u>-</u>	<u>-</u>

The director receives remuneration from Bridgewater Financial Services Ltd, a company under his control. Transactions with Bridgewater Financial Services Ltd are detailed in note 18 of the financial statements.

**4. OPERATING LOSS**

The operating loss is stated after charging:

	Period 1/6/19 to 31/12/19 £	Year Ended 31/5/19 £
Depreciation - owned assets	1,748	3,511
Auditors' remuneration	12,000	10,800
Operating leases- Land and buildings	<u>11,165</u>	<u>17,507</u>

**5. TAXATION****Analysis of the tax charge**

No liability to UK corporation tax arose for the period ended 31 December 2019 nor for the year ended 31 May 2019.

The company had no current corporation tax charge for the year ended 31 May 2019 or the year ended 31 May 2018.

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE PERIOD 1 JUNE 2019 TO 31 DECEMBER 2019

## 6. TANGIBLE FIXED ASSETS

	Fixtures and fittings £	Computer equipment £	Totals £
<b>COST</b>			
At 1 June 2019 and 31 December 2019	<u>7,157</u>	<u>8,615</u>	<u>15,772</u>
<b>DEPRECIATION</b>			
At 1 June 2019	6,194	4,867	11,061
Charge for period	<u>742</u>	<u>1,006</u>	<u>1,748</u>
At 31 December 2019	<u>6,936</u>	<u>5,873</u>	<u>12,809</u>
<b>NET BOOK VALUE</b>			
At 31 December 2019	<u>221</u>	<u>2,742</u>	<u>2,963</u>
At 31 May 2019	<u>963</u>	<u>3,748</u>	<u>4,711</u>

## 7. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019 £	2019 £
Other debtors	1,292	1,292
Prepayments and accrued income	<u>23,146</u>	<u>15,787</u>
	<u>24,438</u>	<u>17,079</u>

## 8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019 £	2019 £
Other creditors	5,819	3,860
Accruals and deferred income	<u>29,193</u>	<u>27,522</u>
	<u>35,012</u>	<u>31,382</u>

## 9. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2019 £	2019 £
Other loans (see note 10)	<u>3,132</u>	<u>3,132</u>

## 10. LOANS

An analysis of the maturity of loans is given below:

	2019 £	2019 £
Amounts falling due between two and five years:		
Group subordinated loan	<u>3,132</u>	<u>3,132</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE PERIOD 1 JUNE 2019 TO 31 DECEMBER 2019**

**11. LEASING AGREEMENTS**

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

	2019	2019
	£	£
Within one year	17,362	3,690
Between one and five years	42,796	1,397
	<u>60,158</u>	<u>5,087</u>

**12. FINANCIAL INSTRUMENTS**

At 31 December 2019 the carrying amount of the company's financial assets, measured at cost less impairment, was £505,406 (31 May 2019: £511,316).

At 31 December 2019 the carrying amount of the company's financial liabilities, measured at amortised cost, was £38,144 (31 May 2019: £38,374).

**13. CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2019	2019
			£	£
1,578,865	Ordinary	£1	<u>1,578,865</u>	<u>1,524,865</u>

54,000 Ordinary shares of £1 each were allotted and fully paid for cash at par during the period.

**14. RESERVES**

	Retained earnings
	£
At 1 June 2019	(1,027,565)
Deficit for the period	<u>(57,929)</u>
At 31 December 2019	<u>(1,085,494)</u>

**15. PENSION COMMITMENTS**

Pension contributions amounting to £350 (31 May 2019: £367) were payable by the company at 31 December 2019 and are included in creditors.

**16. ULTIMATE PARENT COMPANY**

Holborn (formerly Holborn Assets Ltd) (incorporated in Bahamas ) is regarded by the director as being the company's ultimate parent company.

The ultimate controlling party is Robert Parker, director of Holborn (Bahamas).

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE PERIOD 1 JUNE 2019 TO 31 DECEMBER 2019**

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**17. CONTINGENT LIABILITIES**

Part of the company's income is subject to a potential insurance company clawback in respect of indemnity commission for up to 5 years after inception of the policies they are in connection with. During the period to 31 December 2019 the amount of income subject to this clause was £2,495 (year ended 31 May 2019: £582).

The company has been subject to a Financial Conduct Authority s.166 100% Defined Benefit Pension transfer back book review, and subsequent enforcement as a result of the findings, as explained in note 2. If any findings from the review result in claims, PI insurers would decline to meet those claims if they are not satisfied that the policy conditions have been met. The financial statements do not include any provisions in respect of this as no claims in respect of this review were unresolved at the year end.

**18. RELATED PARTY DISCLOSURES**

During the period the company received funds of £54,000 (31 May 2019: £350,575) from its parent company, Holborn. As a result of a loan capitalisation, additional shares of £54,000 were issued to the parent company during the period. At 31 December 2019 included within creditors due after more than one year are subordinated loans from the group of £3,132 (31 May 2019: £3,132). In addition the company earned fees of £nil (31 May 2019: £nil) from Holborn.

Bridgewater Financial Services Ltd, a company controlled by the director C G M Wicks, is the appointed representative of Holborn Assets Ltd.

During the period the company received fees belonging to Bridgewater Financial Services Ltd of £28,901.69 (31 May 2019: £36,184.01) as a result of the business carried out by Bridgewater Financial Services Ltd but paid to Holborn bank account as their Principal. The balance owed to Bridgewater Financial Services Ltd at 31 December 2019 was £1,139 (31 May 2019: £nil).

During the period the company paid £nil (31 May 2019 £nil) to Bridgewater Financial Services Ltd in respect of payaways for Holborn related business.

During the period the company paid £nil (31 May 2019: £nil) to Bridgewater Global Wealth Limited in respect of payaways for Holborn related business. At 31 December 2019 the balance owed to Bridgewater Global Wealth Limited was £nil (31 May 2019: £nil)

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