

# Highgate Asset Management Limited

Report and Unaudited Financial Statements

Year Ended

30 June 2017

Company Number 06101322

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# **Highgate Asset Management Limited**

## **Report and unaudited financial statements for the year ended 30 June 2017**

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#### **Director**

K Ranjan

#### **Secretary and registered office**

B Ranjan, 204D East Wing Sterling House, Langston Road, Loughton, Essex, IG10 3TS

#### **Company number**

06101322

# Highgate Asset Management Limited

## Director's report for the year ended 30 June 2017

The director presents his report together with the unaudited financial statements for the year ended 30 June 2017.

### Results and dividends

The profit and loss account is set out on page 3 and shows the profit for the year. A dividend of £150,000 (2016 – £350,000) was paid in the year.

### Principal activities

The principal activity of the company throughout the year was that of the provision of financial intermediary and business advisory services.

### Director

The director of the company during the year was:

K Ranjan

### Director's responsibilities

The director is responsible for preparing the director's report 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;
- 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.

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

### On behalf of the Board

K Ranjan

Director

Date 23 - 2 - 2018

# Highgate Asset Management Limited

## Independent review on the unaudited financial statements

### INDEPENDENT REVIEW REPORT ON THE UNAUDITED FINANCIAL STATEMENTS OF HIGHGATE ASSET MANAGEMENT LIMITED

To the Board of Directors of Highgate Asset Management Limited ("the Company")

We have reviewed the financial statements of Highgate Asset Management Limited ('the company') for the year ended 30 June 2017 which comprises the Statement of Comprehensive Income, Statement of Changes in Equity, the Balance Sheet and the related notes. 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').

This report is made solely to the company's directors, as a body, in accordance with the terms of our engagement letter dated 1 November 2016. Our review has been undertaken so that we might state to the company's directors those matters we have agreed with them in our engagement letter 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 directors as a body, for our work, for this report, or for the conclusions we have formed.

#### Directors' Responsibilities for the Financial Statements

As explained more fully in the Statement of Directors' Responsibilities within the Directors' Report, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view in accordance United Kingdom Generally Accepted Accounting Practice and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

#### Our Responsibility

Our responsibility is to express an independent conclusion based on our review of the financial statements. We conducted our review in accordance with International Standard on Review Engagements 2400 (Revised), Engagements to review historical financial statements (ISRE 2400) and ICAEW Technical Release TECH 09/13AAF Assurance review engagements on historical financial statements. ISRE 2400 also requires us to comply with the ICAEW Code of Ethics.

#### Scope of the Assurance Review

Our review was based primarily upon enquiry, analytical procedures and assessing whether accounting policies are in accordance with United Kingdom Generally Accepted Accounting Practice. The procedures performed in a review are substantially less than those performed in an audit conducted in accordance with International Standards on Auditing (UK and Ireland) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that may be identified in an audit. Accordingly, we do not express an audit opinion on these financial statements.

#### Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the financial statements have not been prepared:

- so as to give a true and fair view of the state of the company's affairs as at 30 June 2017 and of its profit for the year then ended;
- in accordance with United Kingdom Generally Accepted Accounting Practice; and
- in accordance with the requirements of the Companies Act 2006.

BDO LLP

**BDO LLP**

*Chartered Accountants*

London

United Kingdom

Date 23/2/2018

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

# Highgate Asset Management Limited

## Statement of comprehensive income for the year ended 30 June 2017

	Note	2017 £	2016 £
Turnover		367,422	265,195
Cost of sales		-	-
<b>Gross profit</b>		<b>367,422</b>	<b>265,195</b>
Administrative expenses		(182,811)	(116,169)
<b>Operating profit</b>	3	<b>184,611</b>	<b>149,026</b>
Interest receivable and other income		11,142	-
Interest payable and other charges		-	(26)
<b>Profit on ordinary activities before taxation</b>		<b>195,753</b>	<b>149,000</b>
Taxation on profit from ordinary activities	4	(43,354)	(17,250)
<b>Profit for the financial year and total comprehensive income for the year</b>	9	<b>152,399</b>	<b>131,750</b>

All amounts relate to continuing activities.

The notes on pages 5 to 9 form part of these unaudited financial statements.

# Highgate Asset Management Limited

Balance sheet  
at 30 June 2017

<b>Company number 06101322</b>	<b>Note</b>	<b>2017 £</b>	<b>2017 £</b>	<b>2016 £</b>	<b>2016 £</b>
<b>Fixed assets</b>					
Tangible assets	5		2,159		2,028
<b>Current assets</b>					
Debtors	6	1,408,038		1,258,416	
Cash at bank and in hand		33,423		11,851	
		<u>1,441,461</u>		<u>1,270,267</u>	
<b>Creditors: amounts falling due within one year</b>	7	<u>(1,247,140)</u>		<u>(1,078,214)</u>	
<b>Net current assets</b>			194,321		192,053
<b>Total assets less current liabilities</b>			<u>196,480</u>		<u>194,081</u>
<b>Capital and reserves</b>					
Called up share capital	8		1		1
Profit and loss account	9		196,479		194,080
<b>Shareholders' funds</b>			<u>196,480</u>		<u>194,081</u>

For the year ended 30 June 2017 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit of its financial statements for the year in accordance with section 476 of the Companies Act 2006.

The director acknowledges his responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The unaudited financial statements were approved by the Board of Directors and authorised for issue on 23 - 2 - 2018

  
K Ranjan  
Director

The notes on pages 5 to 9 form part of these unaudited financial statements.

# Highgate Asset Management Limited

## Notes forming part of the unaudited financial statements for the year ended 30 June 2017

### 1 Accounting policies

The financial statements have been prepared in accordance with FRS 102 Section 1A Small Entities.

The financial statements are prepared in sterling (£), which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest pound.

The unaudited financial statements have been prepared under the historical cost convention and are in accordance with applicable accounting standards.

The following principal accounting policies have been applied:

#### *Turnover*

Turnover represents arrangement fees, profit shares received and introductory commissions.

#### *Depreciation*

Tangible fixed assets are measured at depreciated historical cost. Depreciation is provided to write off cost less estimated residual values evenly over their expected useful lives. It is calculated at the following rates:

Fixtures and fittings - 33<sup>1</sup>/<sub>3</sub>% per annum straight line

#### *Financial instruments*

Financial liabilities and equity are classified according to the substance of the financial instrument's contractual obligations, rather than its legal form.

The company's cash at bank and in hand and trade debtors and its trade and other creditors are measured initially at the transaction price, including transaction costs, and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year are measured at the undiscounted amount of the cash or other consideration expected to be paid or received.

#### *Dividends*

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

#### *Current and deferred taxation*

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

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

# Highgate Asset Management Limited

## Notes forming part of the unaudited financial statements for the year ended 30 June 2017 (continued)

### 1 Accounting policies (continued)

#### Current and deferred taxation (continued)

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except.

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where timing differences relate to interests in subsidiaries, associates, branches and joint ventures and the group can control their reversal and such reversal is not considered probable in the foreseeable future.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax.

Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

### 2 Employees

#### Number

The average number of employees, including directors', during the year and in the prior year were:

Average number of employees

3

The director received a salary of £29,000 in the year (2016 - £28,500).

### 3 Operating profit

Operating profit is arrived at after charging depreciation of £2,022 (2016 - £3,313).



# Highgate Asset Management Limited

Notes forming part of the unaudited financial statements  
for the year ended 30 June 2017 (continued)

## 4 Taxation on profit on ordinary activities

	2017 £	2016 £
<i>UK corporation tax</i>		
Current tax charge for year	43,354	17,250

## 5 Tangible assets

	Fixtures and fittings £
<i>Cost</i>	
At 1 July 2016	10,163
Additions	2,153
	<hr/>
At 30 June 2017	12,316
	<hr/>
<i>Depreciation</i>	
At 1 July 2016	8,135
Charge for the year	2,022
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At 30 June 2017	10,157
	<hr/>
<i>Net book value</i>	
At 30 June 2017	2,159
	<hr/>
At 30 June 2016	2,028
	<hr/>

## 6 Debtors

	2017 £	2016 £
Trade debtors and accrued income	22,802	1
Corporation tax	-	3,765
Amounts due from related parties (note 11)	1,359,181	1,254,650
VAT receivable	26,055	-
	<hr/>	<hr/>
	1,408,038	1,258,416
	<hr/>	<hr/>

All balances shown within debtors fall due for payment within one year.

# Highgate Asset Management Limited

## Notes forming part of the unaudited financial statements for the year ended 30 June 2017 (continued)

### 7 Creditors: amounts falling due within one year

	2017 £	2016 £
Trade creditors	9,507	1,044
Accruals and deferred income	4,096	5,107
Directors current account	6,056	4,205
Corporation tax	28,589	-
Other taxes and social security	1,034	-
Amounts owed to parent company (note 11)	1,180,000	1,050,000
Amounts owed to related party (note 11)	17,858	17,858
	<u>1,247,140</u>	<u>1,078,214</u>

### 8 Share capital

	30 June 2017 Number	Allotted, called up and fully paid 31 May 2016 Number	30 June 2017 £	31 May 2016 £
Ordinary shares of £1 each	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>

### 9 Profit and loss account

	£
At 1 July 2016	194,080
Profit for the year	152,399
Dividends paid	<u>(150,000)</u>
At 30 June 2017	<u>196,479</u>

### 10 Control

At 30 June 2017 the company's immediate and ultimate parent undertaking was Highgate Asset Management (Holdings) Limited.

K Ranjan and B Ranjan are the ultimate controlling party by virtue of their shareholding.

## Highgate Asset Management Limited

### Notes forming part of the unaudited financial statements for the year ended 30 June 2017 (*continued*)

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#### 11 Related party transactions

At 30 June 2017 a balance of £45,792 (2016 - £55,792) was due from Highgate Developments UK Limited, a company under common control.

At 30 June 2017, a balance of £1,188,389 (2016 - £1,198,858) was due from Highgate Residential Developments (UK) Limited a company under common control. A provision of £27,969 over recoverability of the balance was made in the current year.

At 30 June 2017, a balance of £125,000 (2016 - £nil) was due from Highgate JV Developments (UK) Limited a company under common control.

At 30 June 2017 a balance of £17,858 (2016 - £17,858) was owed to Highgate Real Estate UK Limited.

At 30 June 2017 a balance of £1,180,000 (2016 - £1,050,000) was owed to Highgate Asset Management (Holdings) Limited, the company's immediate and ultimate parent undertaking.