

REGISTERED NUMBER: 09046342 (England and Wales)

**STRATEGIC REPORT, REPORT OF THE DIRECTOR AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2017
FOR
HOLBORN ASSETS LTD**

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FOR THE YEAR ENDED 31 MAY 2017**

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HOLBORN ASSETS LTD

**COMPANY INFORMATION
FOR THE YEAR ENDED 31 MAY 2017**

DIRECTOR: C G M Wicks

REGISTERED OFFICE: Crossford Court
Dane Road
Sale
Cheshire
M33 7BZ

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 YEAR ENDED 31 MAY 2017**

The director presents his strategic report for the year ended 31 May 2017.

REVIEW OF BUSINESS

The core business of the company is the provision of advice in respect of Defined Benefit Transfers. This was the subject to an FCA review during 2017, in common with many other participants in the same market. As a consequence the company temporarily ceased transfer advice between April and October 2017. This has now been resumed and the company has now started to redevelop business in this area.

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

Date: 21/2/2018

**REPORT OF THE DIRECTOR
FOR THE YEAR ENDED 31 MAY 2017**

The director presents his report with the financial statements of the company for the year ended 31 May 2017.

PRINCIPAL ACTIVITY

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

DIVIDENDS

No dividends will be distributed for the year ended 31 May 2017.

DIRECTOR

C G M Wicks held office during the whole of the period from 1 June 2016 to the date of this 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.

AUDITORS

Harold Sharp Limited acquired the audit practice of Harold Sharp and in accordance with section 1216 of the Companies Act 2006 have been appointed as auditors in succession. In accordance with section 485 of the Companies Act 2006, a resolution proposing that they be reappointed will be put to the Annual General Meeting.

ON BEHALF OF THE BOARD:



.....
C G M Wicks - Director

Date: 21/2/2018
.....

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

We have audited the financial statements of Holborn Assets Ltd for the year ended 31 May 2017 on pages six to seventeen. 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 director and auditors

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. 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 director; 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 Director 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 31 May 2017 and of its loss 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.

Emphasis of Matter

We draw attention to note 2 of the financial statements, which describes the uncertainty regarding the future outcome of regulatory action. Our opinion is not modified in respect of this matter.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our 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 has been prepared in accordance with applicable legal requirements. In the light of the knowledge and understanding of the company and its environment, we have not identified any material misstatements in the Strategic Report or the Report of the Director.

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

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



Richard Evans (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

Date: 26/02/2018

**INCOME STATEMENT
FOR THE YEAR ENDED 31 MAY 2017**

	Notes	2017 £	2016 £
TURNOVER		835,068	362,467
Cost of sales		<u>756,497</u>	<u>323,783</u>
GROSS PROFIT		78,571	38,684
Administrative expenses		<u>371,042</u>	<u>174,744</u>
OPERATING LOSS and LOSS BEFORE TAXATION	4	(292,471)	(136,060)
Tax on loss	5	<u>(2,105)</u>	<u>2,105</u>
LOSS FOR THE FINANCIAL YEAR		<u><u>(290,366)</u></u>	<u><u>(138,165)</u></u>

**OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MAY 2017**

	Notes	2017 £	2016 £
LOSS FOR THE YEAR		(290,366)	(138,165)
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>(290,366)</u>	<u>(138,165)</u>

HOLBORN ASSETS LTD (REGISTERED NUMBER: 09046342)

BALANCE SHEET
31 MAY 2017

	Notes	2017 £	2016 £
FIXED ASSETS			
Tangible assets	6	10,835	11,079
CURRENT ASSETS			
Debtors	7	24,906	104,977
Cash at bank		23,254	71,223
		<u>48,160</u>	<u>176,200</u>
CREDITORS			
Amounts falling due within one year	8	<u>51,662</u>	<u>136,475</u>
NET CURRENT (LIABILITIES)/ASSETS		<u>(3,502)</u>	<u>39,725</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>7,333</u>	<u>50,804</u>
CREDITORS			
Amounts falling due after more than one year	9	(3,132)	(4,132)
PROVISIONS FOR LIABILITIES	12	-	(2,105)
NET ASSETS		<u>4,201</u>	<u>44,567</u>
CAPITAL AND RESERVES			
Called up share capital	13	457,100	207,100
Retained earnings	14	<u>(452,899)</u>	<u>(162,533)</u>
SHAREHOLDERS' FUNDS		<u>4,201</u>	<u>44,567</u>

The financial statements were approved by the director on 21 Feb 2018 and were signed by:


C G M Wicks - Director

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MAY 2017**

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 June 2015	100	(24,368)	(24,268)
Changes in equity			
Issue of share capital	207,000	-	207,000
Total comprehensive income	-	(138,165)	(138,165)
Balance at 31 May 2016	<u>207,100</u>	<u>(162,533)</u>	<u>44,567</u>
Changes in equity			
Issue of share capital	250,000	-	250,000
Total comprehensive income	-	(290,366)	(290,366)
Balance at 31 May 2017	<u><u>457,100</u></u>	<u><u>(452,899)</u></u>	<u><u>4,201</u></u>

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MAY 2017**

	Notes	2017 £	2016 £
Cash flows from operating activities			
Cash generated from operations	1	(295,104)	(149,480)
Net cash from operating activities		<u>(295,104)</u>	<u>(149,480)</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		<u>(2,865)</u>	<u>(12,092)</u>
Net cash from investing activities		<u>(2,865)</u>	<u>(12,092)</u>
Cash flows from financing activities			
Share issue		<u>250,000</u>	<u>207,000</u>
Net cash from financing activities		<u>250,000</u>	<u>207,000</u>
(Decrease)/increase in cash and cash equivalents		<u>(47,969)</u>	<u>45,428</u>
Cash and cash equivalents at beginning of year	2	71,223	25,795
Cash and cash equivalents at end of year	2	<u><u>23,254</u></u>	<u><u>71,223</u></u>

**NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MAY 2017**

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

	2017	2016
	£	£
Loss before taxation	(292,471)	(136,060)
Depreciation charges	3,109	1,013
	<u>(289,362)</u>	<u>(135,047)</u>
Decrease/(increase) in trade and other debtors	80,071	(104,977)
(Decrease)/increase in trade and other creditors	(85,813)	90,544
	<u>(295,104)</u>	<u>(149,480)</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 31 May 2017

	31/5/17	1/6/16
	£	£
Cash and cash equivalents	<u>23,254</u>	<u>71,223</u>

Year ended 31 May 2016

	31/5/16	1/6/15
	£	£
Cash and cash equivalents	<u>71,223</u>	<u>25,795</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2017**

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 Crossford Court, Dane Road, Sale, Cheshire, M33 7BZ.

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.

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

The presentation 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 director is 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.

Turnover

Turnover represents sales of services including pension transfers and other investment business.

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

Taxation

Taxation for the year 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.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MAY 2017

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.

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 year 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.

Going concern

At the balance sheet date the company had net assets of £4,201 (2016: £44,567) and made a loss of £290,366 (2016: £138,165) during the year. The company's parent company, Holborn Assets Ltd, is a company incorporated in Bahamas. The parent company is looking 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 support from its parent company, Holborn Assets Ltd. On this basis the director considers it appropriate to prepare the financial statements on a going concern basis.

As with most companies that have undertaken Defined Benefit pension transfers, the company is subject to an FCA s.166 100% Defined Benefit Pension back book review. If any findings from the review result in claims, PI insurers may decline to meet those claims if they are not satisfied that the policy conditions have been met. No claims have arisen as yet, but if all of the cases become claims this could have an effect on the company's going concern.

3. EMPLOYEES AND DIRECTORS

	2017	2016
	£	£
Wages and salaries	215,039	72,851
Social security costs	5,433	8,649
	<u>220,472</u>	<u>81,500</u>

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

	2017	2016
Employees	<u>13</u>	<u>4</u>

	2017	2016
	£	£
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 17 of the financial statements.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MAY 2017

4. OPERATING LOSS

The operating loss is stated after charging:

	2017	2016
	£	£
Depreciation - owned assets	3,109	1,013
Auditors' remuneration	11,250	6,000
	<u>11,250</u>	<u>6,000</u>

5. TAXATION**Analysis of the tax (credit)/charge**

The tax (credit)/charge on the loss for the year was as follows:

	2017	2016
	£	£
Deferred tax	(2,105)	2,105
Tax on loss	(2,105)	2,105
	<u>(2,105)</u>	<u>2,105</u>

6. TANGIBLE FIXED ASSETS

	Fixtures and fittings £	Computer equipment £	Totals £
COST			
At 1 June 2016	7,157	4,935	12,092
Additions	-	2,865	2,865
	<u>7,157</u>	<u>7,800</u>	<u>14,957</u>
At 31 May 2017	7,157	7,800	14,957
DEPRECIATION			
At 1 June 2016	826	187	1,013
Charge for year	1,789	1,320	3,109
	<u>2,615</u>	<u>1,507</u>	<u>4,122</u>
At 31 May 2017	2,615	1,507	4,122
NET BOOK VALUE			
At 31 May 2017	4,542	6,293	10,835
	<u>4,542</u>	<u>6,293</u>	<u>10,835</u>
At 31 May 2016	6,331	4,748	11,079
	<u>6,331</u>	<u>4,748</u>	<u>11,079</u>

7. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2017	2016
	£	£
Other debtors	5,336	1,077
Prepayments and accrued income	19,570	103,900
	<u>24,906</u>	<u>104,977</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MAY 2017

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2017	2016
	£	£
Amounts owed to group undertakings	696	-
Social security and other taxes	-	3,320
Other creditors	27,475	112,426
Accruals and deferred income	23,491	20,729
	<u>51,662</u>	<u>136,475</u>

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

	2017	2016
	£	£
Other loans (see note 10)	<u>3,132</u>	<u>4,132</u>

10. LOANS

An analysis of the maturity of loans is given below:

	2017	2016
	£	£
Amounts falling due between two and five years:		
Group subordinated loan	<u>3,132</u>	<u>4,132</u>

11. LEASING AGREEMENTS

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

	2017	2016
	£	£
Within one year	11,781	11,781
Between one and five years	6,120	8,482
	<u>17,901</u>	<u>20,263</u>

12. PROVISIONS FOR LIABILITIES

	2017	2016
	£	£
Deferred tax	<u>-</u>	<u>2,105</u>
		Deferred tax
		£
Balance at 1 June 2016		2,105
Credit to Income Statement during year		<u>(2,105)</u>
Balance at 31 May 2017		<u>-</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MAY 2017

13. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:		Nominal value: £1	2017 £ <u>457,100</u>	2016 £ <u>207,100</u>
Number:	Class:			
457,100	Ordinary			

250,000 Ordinary shares of £1 each were allotted and fully paid for cash at par during the year.

14. RESERVES

	Retained earnings £
At 1 June 2016	(162,533)
Deficit for the year	<u>(290,366)</u>
At 31 May 2017	<u>(452,899)</u>

15. 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).

16. 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 year to 31 May 2017 the amount of income subject to this clause was £23,339 (2016: £27,000).

17. RELATED PARTY DISCLOSURES

During the year the company received funds of £249,000 (2016: £160,470) from its parent company, Holborn. As a result of a loan capitalisation, additional shares of £250,000 were issued to the parent company during the year. At 31 May 2017 included within creditors due after more than one year are subordinated loans from the group of £3,132 (2016: £4,132). In addition the company earned fees of £128,625 (2016: £81,826) 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 year the company earned fees for Bridgewater Financial Services Ltd of £306,636 (2016: £235,586) as a result of the business that it carried out on behalf of Bridgewater Financial Services Ltd. The balance owed to Bridgewater Financial Services Ltd at 31 May 2017 was £14,069 (2016: £112,427). The company paid £82,482 (2016: £525) to Bridgewater Global Wealth Limited in respect of payaways for Holborn related business. At 31 May 2017 the balance owed to Bridgewater Global Wealth Limited was £3,000 (2016: £nil).

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MAY 2017**

18. FIRST YEAR ADOPTION

This is the first year that the company has presented its results under FRS 102. The last financial statements under the UK GAAP were for the year ended 31 May 2016. The date of transition to FRS 102 was 01 June 2015.

There are no changes in accounting policies which affect the profit for the financial year ended 31 May 2016 and the total equity as at 01 June 2015 and 31 May 2016 between UK GAAP, as previously reported, and FRS 102.