

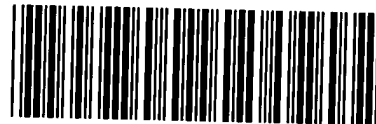
# **Richmount Management Limited**

Registered number: 2427411

## **Report and Financial Statements**

**31 December 2017**

MONDAY



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22/10/2018  
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**Richmount Management Limited**

**Report and financial statements**

**Year ended 31 December 2017**

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**Richmount Management Limited**

**Corporate information**

**UK Registered Number:** 2427411

**Directors**

J Hodgson  
A Ohlsson  
S Robinson

**Secretary**

S Robinson

**Independent auditor**

KPMG Channel Islands Limited  
Chartered Accountants  
37 Esplanade  
St Helier  
Jersey  
Channel Islands  
JE4 8WQ

**Bankers**

Barclays Bank PLC  
1 Churchill Place  
London  
E14 5HP

**Solicitors**

Carey Olsen  
47 Esplanade  
St Helier  
Jersey  
Channel Islands  
JE1 0BD

**Registered office**

5<sup>th</sup> Floor  
64 St James's Street  
London  
SW1A 1NF

## **Richmount Management Limited**

### **Directors' report**

The directors present their annual report and the audited financial statements of Richmount Management Limited (the "Company") for the year ended 31 December 2017. The Company has met the requirements in the Companies Act 2006 to obtain the exemption provided from the presentation of a strategic report.

#### **Directors of the Company**

The directors in office at the date upon which the financial statements were approved are detailed on page 1.

#### **Secretary of the Company**

The secretary in office at the date upon which the financial statements were approved is detailed on page 1.

#### **Dividends**

The directors do not recommend the payment of a dividend in respect of the year ended 31 December 2017 (2016: Nil).

#### **Incorporation and principal activity**

The Company was incorporated in the United Kingdom on 28 September 1989. The principal activity of the Company is that of property fund management and advice.

#### **Statement of directors' responsibilities in respect of the Directors' Report and the financial statements**

The directors are responsible for preparing the Directors' Report 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 they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

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 estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

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 responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

#### **Political contributions**

The Company made no political donations or incurred any political expenditure during the year (2016: Nil).

#### **Disclosure of information to the auditors**

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow directors, each director has taken all the steps that he is obliged to take as a director in order to make himself aware of any relevant audit information and to establish that the auditor is aware of that information.

## **Richmount Management Limited**

### **Directors' report**

#### **Appointment of auditors**

Pursuant to a shareholders' resolution, the Company is not obliged to reappoint its auditors annually. KPMG LLP resigned as the Company's auditors on 22 February 2018 and KPMG Channel Islands Limited was appointed as the Company's auditor on 28 February 2018.

By order of the board

A handwritten signature in black ink, appearing to read 'J Hodgson', written over a horizontal line.

**J Hodgson**  
Director

25 April 2018

## **Independent Auditor's Report to the Members of Richmount Management Limited**

### **Opinion**

We have audited the financial statements of Richmount Management Limited ("the Company") for the year ended 31 December 2017 set out on pages 6 to 12 which comprise the statement of comprehensive income and the statement of changes in equity for the year ended 31 December 2017, the statement of financial position as at that date, and related notes including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2017 and of its profit for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; 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 are described below. We have fulfilled our ethical responsibilities under, and are independent of the Company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

### **Going concern**

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least twelve months from the date of approval of the financial statements. We have nothing to report in these respects.

### **Directors' report**

The directors are responsible for the directors' report. Our opinion on the financial statements does not cover that report and we do not express an audit opinion thereon.

Our responsibility is to read the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the directors' report;
- in our opinion the information given in that report for the financial year is consistent with the financial statements; and
- in our opinion that report has been prepared in accordance with the Companies Act 2006.

### **Matters on which we are required to report by exception**

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- adequate accounting records have not been kept by the Company; 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; or
- the directors were not entitled to take advantage of the small companies exemption from the requirement to prepare a strategic report.

We have nothing to report in these respects.

## **Independent Auditor's Report to the Members of Richmount Management Limited – continued**

### **Directors' responsibilities**

As explained more fully in their statement set out on page 2, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; 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 they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities**

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities).

### **The purpose of our audit work and to whom we owe our responsibilities**

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 an auditor's report 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.



**Andrew Quinn (Senior Statutory Auditor)**  
for and on behalf of KPMG Channel Islands Limited, Statutory Auditor  
*Chartered Accountants*  
Jersey

**25** April 2018

**Richmount Management Limited**  
**Statement of comprehensive income**  
**for the year ended 31 December 2017**

	Note	2017 £	2016 £
Turnover	2	257,749	150,680
Administrative expenses		(246,699)	(161,647)
Operating profit / (loss)		11,050	(10,967)
Interest receivable and similar income		-	43
Profit / (Loss) on ordinary activities before taxation		11,050	(10,924)
Tax on profit on ordinary activities	5	-	(17)
Total comprehensive income / (loss) for the year		11,050	(10,941)



**Richmount Management Limited**

**Statement of changes in equity**

**for the year ended 31 December 2017**

	<b>Called-up share capital £</b>	<b>Share premium £</b>	<b>Profit and loss account £</b>	<b>Total equity £</b>
At 1 January 2016	41,000	14,000	104,897	159,897
Total comprehensive loss for the year	-	-	(10,941)	(10,941)
At 31 December 2016	41,000	14,000	93,956	148,956
Total comprehensive income for the year	-	-	11,050	11,050
At 31 December 2017	41,000	14,000	105,006	160,006

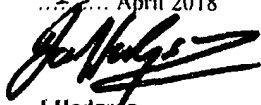
**Richmount Management Limited**

**Statement of financial position**

**at 31 December 2017**

	Note	2017 £	2016 £
<b>Current assets</b>			
Debtors and prepayments	6	190,119	209,071
Cash at bank and in hand		<u>129,038</u>	<u>17,884</u>
		319,157	226,955
<b>Creditors: amounts falling due within one year</b>	7	<u>(159,151)</u>	<u>(77,999)</u>
<b>Net current assets</b>		160,006	148,956
<b>Net assets</b>		<u>160,006</u>	<u>148,956</u>
<b>Capital and reserves</b>			
Called-up share capital	9	41,000	41,000
Share premium account	10	14,000	14,000
Profit and loss account	10	<u>105,006</u>	<u>93,956</u>
		160,006	148,956

The financial statements on pages 6 to 12 were approved and authorised for issue by the Board of Directors on  
...25... April 2018

  
**J Hodgson**  
Director

Registered number: 2427411

## **Richmount Management Limited**

### **Notes to the financial statements**

**at 31 December 2017**

#### **1. Accounting policies**

##### **Statement of compliance**

The Company is a limited liability company incorporated in the United Kingdom. The registered office is 5<sup>th</sup> Floor, 64 St James's Street, London, SW1A 1NF. The principal activity of the Company is that of property fund management and advice.

The Company's financial statements have been prepared on a historical cost basis and in compliance with the Financial Reporting Standard 102 ("FRS 102") as issued in September 2015.

##### **Basis of preparation and change in accounting policy**

The financial statements have been prepared in accordance with FRS 102. The financial statements are prepared in sterling which is the functional currency of the Company.

##### **Going concern**

The Company has adequate financial resources, and is expected to continue to generate positive cash flows on its own account for the foreseeable future. As a consequence, the directors believe that the Company is well placed to manage its business risks successfully.

The directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

##### **Cash flow statement**

The Company is considered to be a qualifying entity and has applied the exemptions available under FRS 102 in respect of a cash flow statement and related notes.

##### **Basic financial instruments**

All of the Company's financial assets and liabilities, in the absence of any impairment, are held at their original cost.

##### **Cash and cash equivalents**

Cash and cash equivalents in the statement of financial position comprise cash at banks and in hand.

##### **Debtors and creditors falling due within one year**

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment of short-term debtors are recognised in the statement of comprehensive income.

##### **Work in progress**

Work in progress is valued at cost, which includes time spent on property management and advice given on incomplete assignments. Provision is made for irrecoverable costs where appropriate.

##### **Turnover**

Turnover is accounted for on an accrual basis and comprises revenue recognised by the Company in respect of goods and services supplied during the year, exclusive of value added tax and discounts.

##### **Expenses**

Expenses are accrued and recognised in the period to which they relate.

##### **Taxation**

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if it can be regarded as more likely than not there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

# Richmount Management Limited

## Notes to the financial statements

at 31 December 2017

### 1. Accounting policies (*continued*)

#### Taxation (*continued*)

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time that differences are expected to reverse.

Deferred tax assets and liabilities are discounted.

### 2. Turnover

All turnover arose within the United Kingdom.

### 3. Operating profit / (loss)

	2017 £	2016 £
Auditor's remuneration – audit of financial statements	9,605	8,000
Auditor's remuneration – tax compliance services	<u>3,700</u>	<u>3,700</u>

### 4. Staff costs

The Company has no employees other than the directors, who did not receive any remuneration during the year (2016: Nil).

### 5. Tax

The Company is subject to corporate tax at 19% per annum for the purposes of taxation in the United Kingdom. The tax charge for the year is made up as follows:

	2017 Pre-tax loss £	2017 Tax £	2016 Pre-tax profit £	2016 Tax £
<b>Current tax</b>				
Tax on PBT at standard rate: UK – 19.25% (2016: 20%)	11,050	2,127	(10,924)	(2,212)
Effect of: (Relieved) / unrelieved tax losses		(2,127)		2,212
Under provided in prior year		-		(17)
<b>Tax charge for the year</b>		<u>-</u>		<u>(17)</u>

### Factors that may affect future tax changes

A reduction in the UK corporation tax rate from 21% to 20% (effective from 1 April 2015) was substantively enacted on 2 July 2013. Further reductions to 19% effective from 1 April 2017 and to 18% (effective 1 April 2020) were substantively enacted on 26 October 2015, and an additional reduction to 17% (effective 1 April 2020) was substantively enacted on 6 September 2016. This will reduce the company's future tax charge accordingly.

The Company has an unrecognised deferred tax asset of approximately £5,799 (2016: £7,926) in respect of tax losses brought forward.

# Richmount Management Limited

## Notes to the financial statements

at 31 December 2017

6. Debtors and prepayments	2017 £	2016 £
Work in progress	149,335	135,737
Other receivables	3,271	38,190
Trade debtors	36,632	34,266
Prepayments	881	878
	<u>190,119</u>	<u>209,071</u>

7. Creditors	2017 £	2016 £
Accruals and deferred income	29,151	16,873
Related party loans (see note 11)	50,000	50,000
Amounts owed to group undertakings (see note 11)	80,000	10,931
Other creditor	-	195
	<u>159,151</u>	<u>77,999</u>

### 8. Financial instruments

All of the Company's financial assets and liabilities are due in less than one year and in the absence of any impairment, are held at their original cost.

### 9. Called-up share capital

	2017 £	2016 £
Authorised, issued and fully paid		
41,000 Ordinary shares of £1 each	<u>41,000</u>	<u>41,000</u>

All shares rank pari passu and carry one vote per share. There are no restrictions attached to the shares regarding the distribution of dividends or the repayment of capital.

### 10. Reserves

#### Share premium account

Includes any premiums received on issue of share capital. Any transaction costs associated with the issuing of shares are deducted from share premium.

#### Profit and loss account

Includes all current and prior period retained profits and losses.

### 11. Related party transactions

During the year, management services totalling £180,000 (2016: £100,000) were supplied by Somerston Capital Limited, a fellow subsidiary, and this amount is included within administration expenses within the statement of comprehensive income.

As at 31 December 2017, £80,000 (2016: £3,641) was owed to Somerston Capital Limited included in amounts owed to group undertakings as reflected in note 7 of the financial statements.

As at 31 December 2017, £50,000 (2016: £50,000) was owed to Somerston Group Limited, its immediate parent company, in respect of an interest free loan, repayable on demand.

## **Richmount Management Limited**

### **Notes to the financial statements**

**at 31 December 2017**

#### **12. Controlling parties**

The Company's immediate parent company is Somerston Group Limited, a company registered in Jersey. Somerston Group Limited is wholly owned by Carlton Investment Trust Limited ("Carlton") a company registered in Jersey. Carlton is the largest group of undertakings for which consolidated financial statements are prepared in which the results of the company are included.

*The shares of Carlton are owned by Carlton Limited as Trustee of the Diana Hudson Family Settlement whom the directors regard to be the ultimate controlling party.*