Registered number: 04126284

Theorema Asset Management Limited

Director's Report and Unaudited Financial Statements
For the Year Ended 31 December 2018

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Theorema Asset Management Limited

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Theorema Asset Management Limited

Company Information

Director	G Govi
Registered number	04126284
Registered office	20 Balderton Street London W1K 6TL
Bankers	Royal Bank of Scotland 49 Charing Cross Road London SW1A 2DX

Director's Report
For the Year Ended 31 December 2018

The director presents his report and the financial statements for the year ended 31 December 2018.

Principal activity

The principal activity of Theorema Asset Management Limited ("the Company") throughout the year under review was that of a service company to and corporate member of Theorema Advisors UK LLP, a limited liability partnership incorporated in England and Wales and regulated by the Financial Conduct Authority whose principal activity was the provisions of investment management services. The director does not foresee any changes in the nature of the principal activity going forward.

Going concern

These financial statements have been prepared on the going concern basis. The director believes that this is appropriate as he has a reasonable expectation that the Company has adequate resources to meet its liabilities as they fall due for the foreseeable future. The financial position at the year end was considered satisfactory by the director.

Director

The director who served during the year was:

G Govi

Small companies note

In preparing this report, the director has taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on 26 September 2019 and signed on its behalf by:

G Govi
Director

Statement of Comprehensive Income
For the Year Ended 31 December 2018

	Note	2018 £	2017 £
Turnover	3	881,025	1,081,187
Administrative expenses		(955,477)	(1,174,421)
Operating loss	4	(74,452)	(93,234)
Interest receivable and similar income	6	-	8
Loss before tax		(74,452)	(93,226)
Taxation		-	-
Loss for the year		(74,452)	(93,226)
Total comprehensive loss for the year		(74,452)	(93,226)

All amounts are derived from continued activities.

There were no recognised gains and losses for 2018 and 2017 other than those included in the Statement of Comprehensive Income.

The notes on pages 6 to13 from part of these financial statements.

Statement of Financial Position
As at 31 December 2018

	Note	2018 £	2017 £
Fixed assets			
Tangible assets	7	5,380	9,344
Investments	8	750,000	750,000
		755,380	759,344
Current assets			
Debtors: amounts falling due with one year	9	383,490	387,147
Cash at bank and in hand	10	21,834	8,655
		405,324	395,802
Creditors: amounts falling due within one year	11	(735,523)	(655,513)
Net current liabilities		(330,199)	(259,711)
Net assets		425,181	499,633
Capital and reserves			
Called up share capital	13	355,000	355,000
Profit and loss account		70,181	144,633
		425,181	499,633

The director considers that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of 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.

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

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 26 September 2019 by:

G Govi
Director

The notes on pages 6 to 13 form part of these financial statements.

Statement of Changes in Equity
For the Year Ended 31 December 2018

	Called up share capital £	Profit and loss account £	Total equity £
At 1 January 2018	355,000	144,633	499,633
Comprehensive loss for the year			
Loss for the year	-	(74,452)	(74,452)
At 31 December 2018	355,000	70,181	425,181

Statement of Changes in Equity
For the Year Ended 31 December 2017

	Called up share capital £	Profit and loss account £	Total equity £
At 1 January 2017	355,000	237,859	592,859
Comprehensive income for the year			
Loss for the year	-	(93,226)	(93,226)
At 31 December 2017	355,000	144,633	499,633

The notes on pages 6 to 13 form part of these financial statements.

Notes to the Financial Statements
For the Year Ended 31 December 2018

1. General information

Theorema Asset Management Ltd ("the Company") is a private limited company incorporated in the United Kingdom. The address of its registered office and principal place of business is 20 Balderton Street, London, W1K 6TL.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies. None of the estimates used or judgements made will result in a significant change of the amounts included in the financial statements for the following year when the final amounts are confirmed.

The following principal accounting policies have been applied:

2.2 Going concern

The director is of the opinion that the Company has adequate resources to continue its operational activities for the foreseeable future and is of the opinion that the going concern basis should be adopted in the preparation of the financial statements.

2.3 Revenue

Revenue is recognised to the extent that the Company obtains the right to consideration and is measured at the fair value of the consideration received, excluding VAT.

2.4 Foreign currencies

The functional and presentation currency is Pound sterling, being the currency of the primary economy environment in it operates.

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rate of exchange ruling at the Statement of Financial Position date. All differences are taken to the Statement of Comprehensive Income.

2.5 Operating leases

Rentals paid under operating leases are charged to the Statement of Comprehensive Income on a straight line basis over the lease term. The value of any rent free periods are amortised over the life of the lease.

2. Accounting policies (continued)

2.6 Pension

The Company operates a defined contribution pension scheme. Contributions payable for the year are charged in the Statement of Comprehensive Income.

2.7 Interest income

Interest income is recognised in the Statement of Comprehensive Income using the effective interest method.

2.8 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income, except that a change attributable to an item of income and 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 Statement of Financial Position date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of Financial Position date, except that:

- 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; and
- Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the Statement of Financial Position date.

2.9 Tangible fixed assets

All fixed assets are recorded at historical cost less accumulated depreciation. Depreciation of fixed assets is calculated to write off their cost less any residual value over their estimated useful lives as follows:

Depreciation is provided on the following basis:

Fixtures and fittings	- 5 years straight line
Computer equipment	- 3 years straight line
Leasehold Improvements	- 5 years straight line or life of lease

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Comprehensive Income.

2. Accounting policies (continued)

2.10 Investments

Investments are shown at cost less any provision for impairment.

2.11 Debtors

Short term debtors are measured at transaction price, less impairment, a provision for losses.

2.12 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours.

2.13 Creditors

Short term creditors are measured at the transaction price.

3. Turnover

Turnover represents the amounts derived from services which fall within the Company's continuing principal activity.

All turnover arose within the United Kingdom.

4. Operating loss

The operating loss is stated after charging:

	2018 £	2017 £
Depreciation of tangible fixed assets	6,065	15,440
Exchange differences	5,391	(4,160)
Other operating lease rentals	125,019	125,382

5. Employees

Staff costs were as follows:

	2018 £	2017 £
Wages and salaries	354,379	287,856
Social security costs	42,110	32,048
Pension costs	4,755	773
	401,244	320,677

During the year, no director received any emoluments (2017: £nil)

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

	2018 £	2017 £
The average monthly number of employees in the year was:	6	6

6. Interest receivable

	2018 £	2017 £
Other interest receivable	-	8

7. Tangible fixed assets

	Fixtures and fittings	Computer equipment	Leasehold improvements	Total
Cost	£	£	£	£
At 1 January 2018	76,708	277,551	207,076	561,335
Additions	504	1,597	-	2,101
At 31 December 2018	77,212	279,148	207,076	563,436
Depreciation				
At 1 January 2018	76,448	271,356	204,187	551,991
Charge for year	201	2,975	2,889	6,065
At 31 December 2018	76,649	274,331	207,076	558,056
Net book value				
At 31 December 2018	563	4,817	-	5,380
At 31 December 2017	260	6,195	2,889	9,344

8. Fixed asset investments

Cost and net book value	£
At 1 January 2018 and 31 December 2018	750,000

The investment represents capital contributions made to Theorema Advisors UK LLP of which the Company is a member. The cost equates to the fair value of the contributions made.

Notes to the Financial Statements
For the Year Ended 31 December 2018

9. Debtors

	2018 £	2017 £
Other debtors and VAT recoverable	109,721	128,801
Prepayments	78,800	63,377
Corporation tax recoverable	184,994	184,994
Deferred taxation	9,975	9,975
	383,490	387,147

10. Cash and cash equivalents

	2018 £	2017 £
Cash at bank and in hand	21,834	8,655

11. Creditors: Amounts falling due within one year

	2018 £	2017 £
Trade creditors	32,778	128,164
Amounts owed to group undertakings	665,928	406,534
Other taxation and social security	10,631	8,454
Other creditors	1,509	-
Accruals and deferred income	24,677	110,839
	735,523	653,991

12. Deferred taxation

	2018 £
As at 1 January and 31 December	9,975

The deferred tax asset is made up as follows:

	2018 £	2017 £
Tax losses carried forward	9,975	9,975

13. Share capital

Shares classified as equity	2018 £	2017 £
Allotted, called up and fully paid		
355,000 - Ordinary shares of £1 each	355,000	355,000

14. Commitments under operating leases

On 29 January 2018 the Company signed a new lease with a commitment totalling £250,830 over a 2 year period. At 31 December 2018 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2018 £	2017 £
Payable within 1 year	120,464	15,462
Payable after 1 year but within 5 years	19,472	-
	139,937	15,462

15. Pension Commitment

At year end an amount of £859 (2017: £452) was payable in respect of pension contributions for the year.

16. Related party transactions

Theorema Advisors UK LLP (the "LLP") is a limited liability partnership incorporated in England and Wales to which the Company has made capital contribution and is a corporate member.

During the year, the Company recharged an amount of £881,025 (2017: £1,081,187) to the LLP in respect of services provided. At the year end there was an amount outstanding of £665,928 (2017: £406,534) which is payable by the Company to the LLP.

17. Parent undertaking and ultimate controlling party

The immediate and ultimate parent undertaking is Theorema Holdings Limited, a company registered in Malta.

The ultimate controlling party is considered to be G Govi.