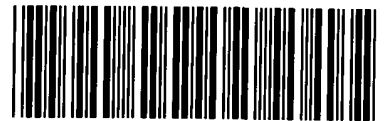


Company No: 07305337

**HOMEGROUND MANAGEMENT LIMITED**  
**REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2016**

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**Homeground Management Limited**

**Report and Financial Statements  
For the year ended 31 December 2016**

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**Homeground Management Limited****Directors**

The Hon W W Astor  
J S Aumonier  
R J Sherry  
R Silva (appointed 27 September 2016)

**Company Secretary**

Cornhill Secretaries Ltd

**Registered Office**

5 Market Yard Mews, 194-204 Bermondsey Street, London SE1 3TQ

**Company number**

07305337

**Auditors**

Moore Stephens LLP  
150 Aldersgate Street, London, EC1A 4AB

**Report of the Directors**

The directors present their report together with the audited financial statements for the year ended 31 December 2016.

**Results and Dividends**

The results for the year are shown on page 4.

The directors do not recommend the payment of a dividend for the year (2015: £nil).

**Principal Activity**

The company's principal activity is the management of property. The directors expect to continue with the company's principal activity for the coming year.

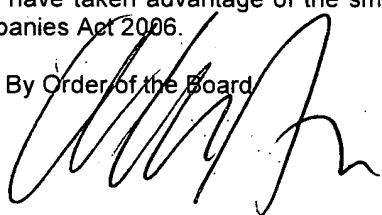
**Directors' Confirmation**

Each of the directors who is a director at the time when the report is approved confirms that:

- (a) so far as each director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- (b) each director has taken all the steps that ought to have been taken as a director, in order to be aware of any information needed by the company's auditors in connection with preparing their report and to establish that the company's auditors are aware of that information.

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

By Order of the Board



W.W. Astor  
Director

## **Homeground Management Limited**

### **Statement of Directors' Responsibilities**

The directors are responsible for preparing the Report of the Directors 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 the directors have 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 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 judgments and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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 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.

## Independent Auditors' Report to the Members of Homeground Management Limited

We have audited the financial statements of Homeground Management Limited for the year ended 31 December 2016 which are set out on pages 4 to 11. The financial reporting framework that has been applied in their preparation is applicable law and Section 1A "Small Entities" of FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

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.

### Respective responsibilities of directors and auditor

As explained more fully in the Statement of Directors' Responsibilities 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. 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 (APB's) Ethical Standards for Auditors.

### Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's web-site at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

### 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 December 2016 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### Opinion on other matter prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

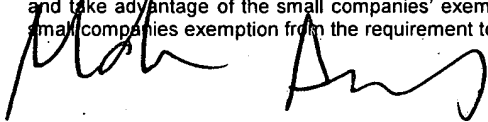
- the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

### 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 directors' report.

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 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 prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemption in preparing the directors' report and take advantage of the small companies exemption from the requirement to prepare a strategic report.

  
 Mark Ayres, Senior Statutory Auditor  
 For and on behalf of Moore Stephens LLP, Statutory Auditor  
 150 Aldersgate Street  
 London  
 EC1A 4AB

27 September 2017

**Homeground Management Limited**  
**Statement of Comprehensive Income**  
**For the year ended 31 December 2016**

	<u>Note</u>	<u>2016</u> £	<u>2015</u> £
<b>Turnover</b>	2	3,590,749	2,927,751
Administrative expenses		<u>(2,585,356)</u>	<u>(2,494,713)</u>
<b>Operating Profit</b>	3	1,005,393	433,038
Taxation	5	<u>(172,323)</u>	<u>(98,699)</u>
<b>Profit for the Year</b>	10	<u>833,070</u>	<u>334,339</u>

All amounts relate to continuing activities.

There are no other recognised gains or losses in the year.

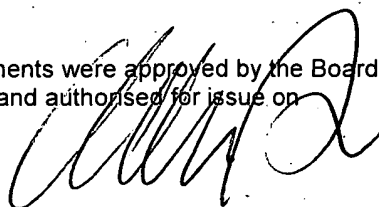
**Homeground Management Limited**

**Statement of Financial Position  
at 31 December 2016**

	<u>Note</u>	<u>2016</u>		<u>2015</u>	
		£	£	£	£
<b>Fixed Assets</b>					
Tangible assets	6		42,553		21,450
<b>Current Assets</b>					
Debtors	7	801,321		589,661	
Cash at bank		<u>1,902,372</u>		<u>1,655,770</u>	
		2,703,693		2,245,431	
<b>Creditors: amounts falling due within one year</b>	8	<u>(669,221)</u>		<u>(1,022,926)</u>	
<b>Net Current Assets</b>			<u>2,034,472</u>		<u>1,222,505</u>
<b>Net Assets</b>			<u><u>2,077,025</u></u>		<u><u>1,243,955</u></u>
<b>Capital and Reserves</b>					
Called up share capital	9		1,000		1,000
Profit and loss account			<u>2,076,025</u>		<u>1,242,955</u>
<b>Shareholders' Funds</b>	10		<u><u>2,077,025</u></u>		<u><u>1,243,955</u></u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with the provisions of FRS 102 Section 1A small entities.

The financial statements were approved by the Board of Directors  
and authorised for issue on 28/9/2017



W. W. Astor  
Director

## Homeground Management Limited

### Financial Statements for the year ended 31 December 2016

#### Notes

#### 1. Accounting Policies

##### (a) Basis of preparation

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies 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 following principal accounting policies have been applied:

##### (b) Turnover

Turnover from the provision of property management services and ancillary fees is recognised in the period the service is provided.

##### (c) Tangible fixed assets

Tangible fixed assets are stated at cost less depreciation. Depreciation on the computer equipment is provided at 33% per annum on a straight line basis in order to write off each asset over its expected useful life.

##### (d) Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

##### (e) 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. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

##### (f) Financial Instruments

The Company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from related parties and loans to related parties.

Basic financial instruments are initially measured at cost and subsequently amortised cost.

##### (g) Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.



## Homeground Management Limited

### Financial Statements for the year ended 31 December 2016

#### Notes (Continued)

(h) Deferred 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. Deferred tax is not provided on timing differences arising from the revaluation of fixed assets in the financial statements.

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted. Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse. Deferred tax assets and liabilities are not discounted.

(i) Client bank accounts

The company operates designated client bank accounts. These accounts do not represent funds of the company and so the deposits are not recognised in the company's statement of financial position. See note 12 for details of the balances held.

(j) Section 1A Financial Reporting Standard 102 – Reduced Disclosure Exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements as permitted by the Section 1A "Small Entities" of FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- The requirements of Section 7 Statement of Cash Flows;
- The requirements of Section 3 Financial Statement Presentation paragraph 3.17(d) relating to statement of cash flows;
- The requirements of Section 6 Statement of Equities.

(k) Judgements in applying accounting policies and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the year end date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates.

Due to the simplicity of the company's transaction streams and year end financial position, the directors consider there to be no critical judgements, estimates or assumptions in the preparation of these financial statements.

(l) First time adoption of FRS 102 – Section 1A

The policies applied under the entity's previous accounting framework are not materially different to FRS 102 and have not impacted on equity or profit or loss.

The company transitioned to FRS 102, as at 1 January 2015. Accounts prepared to 31 December 2015 were prepared under previous UK GAAP in accordance with Financial Reporting Standard for Smaller Entities (effective January 2015).

# Homeground Management Limited

## Financial Statements for the year ended 31 December 2016

### Notes (Continued)

#### 2. Turnover

	<u>2016</u> £	<u>2015</u> £
Management fees	3,263,599	2,622,720
Acquisition fees	327,150	305,031
	<u>3,590,749</u>	<u>2,927,751</u>

Turnover is wholly attributable to the principal activity of the company and arises solely within the United Kingdom.

#### 3. Operating Profit

The operating profit is stated after charging:

	<u>2016</u> £	<u>2015</u> £
Depreciation of owned tangible assets	12,686	11,503
Auditors' remuneration - audit fees	14,000	12,000
- tax compliance fees	3,100	5,000
- payroll services	4,275	2,750
	<u>4,275</u>	<u>2,750</u>

#### 4. Staff Costs

	<u>2016</u> £	<u>2015</u> £
Wages and salaries	1,525,151	1,014,861
Social security costs	159,493	101,413
	<u>1,684,644</u>	<u>1,116,274</u>

The average number of persons employed by the company during the year in administration and operations was 26 (2015: 20).

Directors' remuneration charged to two directors in the year included emoluments of £146,203 (2015: £120,000).

#### 5. Taxation

	<u>2016</u> £	<u>2015</u> £
UK corporation tax charge	175,133	98,699
Over provision from prior period	(2,810)	-
	<u>172,323</u>	<u>98,699</u>

# Homeground Management Limited

## Financial Statements for the year ended 31 December 2016

### Notes (Continued)

#### 6. Tangible Assets

	Computer Equipment £
Cost	
At 1 January 2016	112,586
Additions	33,879
Disposals	(8,153)
At 31 December 2016	138,312
Depreciation	
At 1 January 2016	91,136
Charge for the year	12,686
Disposals	(8,063)
At 31 December 2016	95,759
Net book value	
At 31 December 2016	42,553
At 31 December 2015	21,450

#### 7. Debtors

	2016 £	2015 £
Trade debtors	597,940	411,579
Prepayments and accrued income	203,381	178,082
	801,321	589,661

#### 8. Creditors: amounts falling due within one year

	2016 £	2015 £
Trade creditors	188,095	96,332
Amounts due to a related undertaking	13,625	10,265
Corporation tax	119,247	42,550
Other creditors	83,510	86,200
Accruals and deferred income	264,744	787,579
	669,221	1,022,926

The amount due to a related undertaking is with Long Harbour Limited, a company under common control.

# Homeground Management Limited

## Financial Statements for the year ended 31 December 2016

### Notes (Continued)

#### 9. Called Up Share Capital

	<u>2016</u> £	<u>2015</u> £
Allotted, issued and fully paid 1,000 ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>

#### 10. Reconciliation of Movements in Shareholders' Funds

	<u>2016</u> £	<u>2015</u> £
Opening shareholders' funds	1,243,955	909,616
Profit for the year	<u>833,070</u>	<u>334,339</u>
Closing shareholders' funds	<u>2,077,025</u>	<u>1,243,955</u>

#### 11. Related Party Transactions

The company charged the following management, acquisition and ancillary fees to related party undertakings during the year:

	<u>2016</u> £	<u>2015</u> £
Adriatic Land 4 Limited and subsidiaries	397,546	367,936
Adriatic Land 5 Limited	<u>145,371</u>	<u>87,357</u>
	<u>542,917</u>	<u>455,293</u>

During the year, costs of £563,397 (2015: £828,727) were recharged by Long Harbour Limited, a company under common control, relating to service fees. The company also incurred costs of £14,625 (2015: £80,735) to Longevity Partners Limited a fellow subsidiary of Long Harbour Limited relating to advisory and consultancy fees. The company also recharged £10,895 (2015: nil) to Hudson Bay Limited, a company under common control, relating to software fees.

The following amounts included in trade debtors and accrued income are due from related party undertakings:

	<u>2016</u> £	<u>2015</u> £
Hudson Bay Services Limited	5,730	-
Adriatic Land 4 Limited and subsidiaries	31,136	8,293
Adriatic Land 5 Limited	<u>145,371</u>	<u>87,357</u>

The following amount included in trade creditors and accruals are due to related party undertakings:

Longevity Partners Limited	<u>17,550</u>	<u>71,081</u>
----------------------------	---------------	---------------

**Homeground Management Limited****Financial Statements for the year ended 31 December 2016****Notes (Continued)****12. Client Bank Accounts**

The client operates 63 (2015: 55) client money bank accounts. As at 31 December 2016, the total balance of these accounts was £7,120,006 (2015: £5,984,165).

**13. Ultimate Controlling Party**

The company's parent company is Long Harbour Residential Freehold Limited.

In the opinion of the directors, there is no one controlling party at the reporting date.