

Company No: 07305337

HOMEGROUND MANAGEMENT LIMITED
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018



Homeground Management Limited
Report and Financial Statements
For the year ended 31 December 2018

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Homeground Management Limited**Directors**

The Hon W W Astor
J S Aumonier
R J Sherry
R Silva

Company Secretary
Cornhill Secretaries Ltd

Registered Office

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

Company number
07305337

Auditors
BDO 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 2018.

Results and Dividends

The results for the year are shown on page 5.

The directors do not recommend the payment of a dividend for the year (2017: £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 sections 415A and 414B of the Companies Act 2006.

By Order of the Board

W.W. Astor
Director

25 September 2019.

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 Auditor's Report to the Members of Homeground Management Limited

Opinion

We have audited the financial statements of Homeground Management Limited (the 'company') for the year ended 31 December 2018 which comprise the Statement of Comprehensive Income, Statement of Financial Position and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2018 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate, or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters 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.

Independent Auditor's Report to the Members of Homeground Management Limited (continued)

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' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of directors

As explained more fully in the directors' responsibilities 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, 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.

In preparing the financial statements, the directors are responsible for 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 the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Councils website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

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.



Simon Fowles, *Senior Statutory Auditor*

For and on behalf of BDO LLP, *Statutory Auditor*
150 Aldersgate Street
London
EC1A 4AB

Date: 27 September 2019

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

Homeground Management Limited
Statement of Comprehensive Income
For the year ended 31 December 2018

	<u>Note</u>	<u>2018</u> £	<u>2017</u> £
Turnover	3	4,292,621	4,060,210
Administrative expenses		<u>(4,561,525)</u>	<u>(3,618,275)</u>
(Loss) / Profit before taxation	4	(268,904)	441,935
Taxation	6	<u>44,902</u>	<u>(101,058)</u>
(Loss) / Profit for the Year	11	<u><u>(224,002)</u></u>	<u><u>340,877</u></u>

There are no amounts to include in other comprehensive income.

The notes on pages 7 to 12 form part of the financial statements.

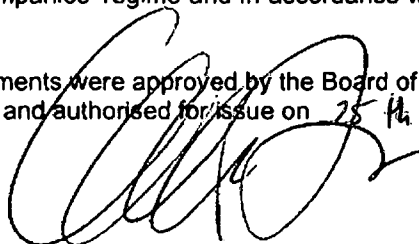
Homeground Management Limited

**Statement of Financial Position
at 31 December 2018**

	<u>Note</u>	<u>2018</u>		<u>2017</u>	
		£	£	£	£
Fixed Assets					
Tangible assets	7		191,062		91,308
Current Assets					
Debtors	8	981,518		809,669	
Cash at bank		<u>2,205,016</u>		<u>2,140,965</u>	
		3,186,534		2,950,634	
Creditors: amounts falling due within one year	9	<u>(1,147,395)</u>		<u>(606,692)</u>	
Net Current Assets			2,039,139		2,343,942
Net Assets less Current liabilities			<u>2,230,201</u>		<u>2,435,250</u>
Provision for liabilities	6(b)		(36,301)		(17,348)
Net Assets			<u>2,193,900</u>		<u>2,417,902</u>
Capital and Reserves					
Called up share capital	10		1,000		1,000
Profit and loss account			<u>2,192,900</u>		<u>2,416,902</u>
Shareholders' Funds	11		<u>2,193,900</u>		<u>2,417,902</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 25th September 2019.



W. W. Astor
Director

The notes on pages 7 to 12 form part of the financial statements.

Homeground Management Limited

Financial Statements for the year ended 31 December 2018

Notes

1. General Information

These financial statements are presented in Pounds Sterling (GBP) to the nearest thousand pounds. GBP is the functional currency in which the majority of the Company's transactions are denominated.

The Company is a private company limited by shares. It is both incorporated and domiciled in the United Kingdom. The address of its registered office is 5 Market Yard Mews, 194-204 Bermondsey Street, London, SE1 3TQ.

2. 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.

Homeground Management Limited

Financial Statements for the year ended 31 December 2018

Notes

2. Accounting Policies

(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.

(h) Taxation

The tax expense for the year comprises current and deferred tax.

Tax is recognised in the Statement of Comprehensive Income, except that a charge 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 reporting 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 reporting 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
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

(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.

Homeground Management Limited

Financial Statements for the year ended 31 December 2018

Notes

2. Accounting Policies

- (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.

3. Turnover

	<u>2018</u> £	<u>2017</u> £
Management fees	3,965,948	3,768,102
Acquisition fees	<u>326,673</u>	<u>292,108</u>
	<u>4,292,621</u>	<u>4,060,210</u>

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

4. Operating (Loss)/ Profit

The operating (loss)/ profit is stated after charging:

	<u>2018</u> £	<u>2017</u> £
Depreciation of owned tangible assets	44,874	23,840
Auditors' remuneration		
- audit fees	15,500	15,000
- tax compliance fees	2,750	3,825
- payroll & pension fee services	8,213	10,226
- compliance services	<u>-</u>	<u>10,000</u>

5. Staff Costs

The average number of persons employed by the company during the year in administration and operations was 39 (2017: 33).

Directors' remuneration charged to three directors in the year included emoluments of £545,587 (2017: £360,000).

Homeground Management Limited

Financial Statements for the year ended 31 December 2018

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6. Taxation

	<u>2018</u> £	<u>2017</u> £
(a) Current tax charge		
UK corporation tax (credit)/charge	(63,248)	81,787
(Over)/ under provision from prior period	(607)	1,923
	<u>(63,855)</u>	
Deferred tax (see note 6b)	<u>18,953</u>	<u>83,710</u> 17,348
	<u>(44,902)</u>	<u>101,058</u>
(b) Deferred tax liability		
At 1 January	17,348	-
Capital allowances in excess of depreciation	<u>18,953</u>	<u>17,348</u>
At 31 December	<u>36,301</u>	<u>17,348</u>

7. Tangible Assets

	<u>Computer Equipment</u> £
Cost	
At 1 January 2018	210,037
Additions	<u>144,628</u>
At 31 December 2018	<u>354,665</u>
Depreciation	
At 1 January 2018	118,729
Charge for the year	<u>44,874</u>
At 31 December 2018	<u>163,603</u>
Net book value	
At 31 December 2018	<u>191,062</u>
At 31 December 2017	<u>91,308</u>

Homeground Management Limited

Financial Statements for the year ended 31 December 2018

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8. Debtors

	<u>2018</u> £	<u>2017</u> £
Trade debtors	760,359	741,694
Other debtors	-	3,193
Corporation tax repayable	63,504	-
Prepayments and accrued income	<u>157,655</u>	<u>64,782</u>
	<u>981,518</u>	<u>809,669</u>

9. Creditors: amounts falling due within one year

	<u>2018</u> £	<u>2017</u> £
Trade creditors	102,443	335,595
Amounts due to a related undertaking	78,689	76,155
Corporation tax	-	31,478
Other tax and social security	719,355	1,814
Accruals and deferred income	<u>246,908</u>	<u>161,650</u>
	<u>1,147,395</u>	<u>606,692</u>

10. Called Up Share Capital

	<u>2018</u> £	<u>2017</u> £
Allotted, issued and fully paid 1,000 ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>

11. Reconciliation of movements in Shareholders' Funds

	<u>2018</u> £	<u>2017</u> £
Opening shareholders' funds	2,417,902	2,077,025
(Loss) / Profit for the year	<u>(224,002)</u>	<u>340,877</u>
Closing shareholders' funds	<u>2,193,900</u>	<u>2,417,902</u>