Registered number: 00804365

SANGAM LIMITED

FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2021

LUBBOCK FINE LLP
Chartered Accountants
Paternoster House
65 St Paul's Churchyard
London EC4M 8AB

SANGAM LIMITED **REGISTERED NUMBER:00804365**

BALANCE SHEET
AS AT 31 DECEMBER 2021

	Note		2021 £		2020 £
Fixed assets					
Tangible assets	4		3,142		13,920
			3,142		13,920
Current assets					
Debtors: amounts falling due after more than one year	5	26,750		1,969,892	
Debtors: amounts falling due within one year	5	5,256,302		3,114,733	
Cash at bank and in hand	6	698,546		133,100	
		5,981,598		5,217,725	
Creditors: amounts falling due within one year	7	(3,431,573)		(1,555,696)	
Net current assets			2,550,025		3,662,029
Total assets less current liabilities			2,553,167		3,675,949
Creditors: amounts falling due after more than one year	8		(400,000)		(1,902,892)
Net assets			2,153,167		1,773,057
Capital and reserves					
Called up share capital			250,000		250,000
Profit and loss account			1,903,167		1,523,057
			2,153,167		1,773,057

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 have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the statement of income and retained earnings in accordance with 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 by:

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J.P. Iyer
Director

Date: 23 December 2022

The notes on pages 2 to 8 form part of these financial statements.

1. General information

Sangam Limited is a private company limited by shares and incorporated in England and Wales. Its registered office and principal place of business is 13th Floor, New Zealand House, 80 Haymarket, London, SW1Y 4TE.

2. Accounting policies

2.1 Basis of preparation of financial statements

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 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.

The following principal accounting policies have been applied:

2.2 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Income and Retained Earnings.

2. Accounting policies (continued)

2.3 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

2.4 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to profit or loss on a straight-line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight-line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

2.5 Interest income

Interest income is recognised in profit or loss using the effective interest method.

2.6 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.7 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Company in independently administered funds.

2. Accounting policies (continued)

2.8 Taxation

Tax is recognised in profit or loss 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 balance sheet 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 balance sheet 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.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

2.9 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Motor vehicles	- 20% per annum on net book book value
Fixtures and fittings	- 20% per annum on cost

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 profit or loss.

2.10 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.

2. Accounting policies (continued)

2.11 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.

2.12 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.

2.13 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Income and Retained Earnings.

3. Employees

The average monthly number of employees, including directors, during the year was 33 (2020 - 34).

4. Tangible fixed assets

	Motor vehicles £	Fixtures and fittings £	Total £
Cost or valuation			
At 1 January 2021	30,986	378,179	409,165
At 31 December 2021	30,986	378,179	409,165
Depreciation			
At 1 January 2021	27,059	368,186	395,245
Charge for the year on owned assets	785	9,993	10,778
At 31 December 2021	27,844	378,179	406,023
Net book value			
At 31 December 2021	3,142	-	3,142
At 31 December 2020	3,927	9,993	13,920

5. Debtors

	2021 £	2020 £
Due after more than one year		
Other debtors	26,750	1,969,892

	2021 £	2020 £
Due within one year		
Trade debtors	2,493,849	1,340,263
Other debtors	2,144,830	286,936
Prepayments and accrued income	617,623	1,487,534
	5,256,302	3,114,733

6. Cash and cash equivalents

	2021 £	2020 £
Cash at bank and in hand	698,546	133,100
Less: bank overdrafts	(501,278)	(502,015)
	197,268	(368,915)

7. Creditors: Amounts falling due within one year

	2021 £	2020 £
Bank overdrafts	501,278	502,015
Trade creditors	411,329	422,241
Corporation tax	89,892	75,122
Other taxation and social security	240,074	142,171
Other creditors	1,525,548	11,087
Accruals and deferred income	663,452	403,060
	3,431,573	1,555,696

8. Creditors: Amounts falling due after more than one year

	2021 £	2020 £
Other creditors	400,000	1,902,892

Creditors falling due after more than one year is a loan totalling £400,000 (2020 - £400,000), due to an individual with control over the entity. The loan is unsecured, interest free and repayable on 10 May 2040. The Company has taken advantage of the exemption available for small companies under section 1.15A of FRS 102 not to discount the loan to net present value.

Amounts falling due after more than one year include amounts which are not wholly repayable within 5 years and are repayable other than by installments of £400,000 (2020 - £400,000).

9. Share capital

	2021 £	2020 £
Allotted, called up and fully paid		
250,000 (2020 - 250,000) Ordinary shares of £1.00 each	250,000	250,000

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10. Pension commitments

At the balance sheet date pension amounts of £12,875 (2020 - £11,088) remained unpaid by the company.

11. Other financial commitments

At the balance sheet date the Company had future commitments of £5,872 (2020 - £9,786).

12. Transactions with directors

During the year the company advanced amounts totalling £14,093 (2020 - £5,537) to directors of the Company. At the balance sheet date, an amount of £14,093 (2020 - £5,537) remained repayable to the Company. This balance was interest free, unsecured and repayable on demand.

13. Contingencies

The Company has given guarantees in respect of lease payments and related covenants under the terms of a 119 year lease between a related party and the lessees, also a related party.

The aggregate amount of annual lease payments at the balance sheet date totalled £40,000 (2020 - £40,000).

14. Auditors' information

The auditors' report on the financial statements for the year ended 31 December 2021 was unqualified.

The audit report was signed on 28 December 2022 by Andrew Noton (Senior Statutory Auditor) on behalf of Lubbock Fine LLP.