

**CONDUIT VENTURES LIMITED**

**DIRECTOR'S REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2018**

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Sayers Butterworth LLP

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**CONDUIT VENTURES LIMITED**

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**Company Information**

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<b>Director</b>	J Butt
<b>Company secretary</b>	L Zheng
<b>Registered number</b>	04293385
<b>Registered office</b>	3rd Floor 12 Gough Square London EC4A 3DW
<b>Independent auditor</b>	Sayers Butterworth LLP Chartered Accountants & Statutory Auditor 3rd Floor 12 Gough Square London EC4A 3DW

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**CONDUIT VENTURES LIMITED**

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## CONDUIT VENTURES LIMITED

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### Director's report For the Year Ended 31 December 2018

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

#### Director

The director who served during the year was:

J Butt

#### Director's responsibilities statement

The director is responsible for preparing the Director's report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the director must not approve the financial statements unless he is 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 director is required to:

- select suitable accounting policies for the Company's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The director is 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 to enable him to ensure that the financial statements comply with the Companies Act 2006. He is 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.

#### Disclosure of information to auditor

The director at the time when this Director's report is approved has confirmed that:

- so far as he is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- he has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

#### Auditor

The auditor, Sayers Butterworth LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

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**CONDUIT VENTURES LIMITED**

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**Director's report (continued)**  
**For the Year Ended 31 December 2018**

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**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 25 April 2019 and signed on its behalf.

**J Butt**  
Director

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## CONDUIT VENTURES LIMITED

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### Independent auditor's report to the shareholders of Conduit Ventures Limited

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#### Opinion

We have audited the financial statements of Conduit Ventures Limited (the 'Company') for the year ended 31 December 2018, which comprise the Statement of comprehensive income, the Balance sheet, the Statement of changes in equity and the related notes, 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 Financial Reporting Standard 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 profit 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 United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other 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 opinion.

#### Conclusions relating to going concern

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

- the director's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the director has 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 director is 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.

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## CONDUIT VENTURES LIMITED

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### Independent auditor's report to the shareholders of Conduit Ventures Limited (continued)

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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.

#### Opinion 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 Director's report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Director's 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 Director's report.

We have nothing to report in respect of the following matters in relation to which 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 director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the director was 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 Director's report and from the requirement to prepare a Strategic report.

#### Responsibilities of directors

As explained more fully in the Director's responsibilities statement on page 1, the director is 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 director determines 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 director is 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 director either intends to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

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## CONDUIT VENTURES LIMITED

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### Independent auditor's report to the shareholders of Conduit Ventures Limited (continued)

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#### 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 Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://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.

Andrew Burch (Senior statutory auditor)

for and on behalf of

**Sayers Butterworth LLP**

Chartered Accountants & Statutory Auditor

3rd Floor  
12 Gough Square  
London  
EC4A 3DW

25 April 2019



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CONDUIT VENTURES LIMITED

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Profit and loss account  
For the Year Ended 31 December 2018

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	2018 £	2017 £
Turnover	636,394	440,931
Administrative expenses	(634,916)	(457,847)
<b>Operating profit/(loss)</b>	<b>1,478</b>	<b>(16,916)</b>
Interest receivable and similar income	-	183
Interest payable and expenses	(95)	-
<b>Profit/(loss) before tax</b>	<b>1,383</b>	<b>(16,733)</b>
<b>Profit/(loss) for the financial year</b>	<b>1,383</b>	<b>(16,733)</b>

The notes on pages 9 to 13 form part of these financial statements.

**CONDUIT VENTURES LIMITED**  
Registered number: 04293385

**Balance sheet**  
**As at 31 December 2018**

	Note	2018 £	2017 £
<b>Fixed assets</b>			
Tangible assets	4	-	374
Investments	5	3	3
		<u>3</u>	<u>377</u>
<b>Current assets</b>			
Debtors: amounts falling due within one year	6	288,657	201,182
Cash at bank and in hand		105,355	694,953
		<u>394,012</u>	<u>896,135</u>
Creditors: amounts falling due within one year	7	(239,149)	(743,029)
<b>Net current assets</b>		<u>154,863</u>	<u>153,106</u>
<b>Total assets less current liabilities</b>		<u>154,866</u>	<u>153,483</u>
<b>Net assets</b>		<u><u>154,866</u></u>	<u><u>153,483</u></u>
<b>Capital and reserves</b>			
Called up share capital		1,000	1,000
Share premium account		31,158	31,158
Profit and loss account		122,708	121,325
		<u>154,866</u>	<u>153,483</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 and authorised for issue by the board and were signed on its behalf on 25 April 2019.

**J Butt**  
Director

The notes on pages 9 to 13 form part of these financial statements.

**CONDUIT VENTURES LIMITED**

**Statement of changes in equity  
For the Year Ended 31 December 2018**

	Called up share capital £	Share premium account £	Profit and loss account £	Total equity £
At 1 January 2018	1,000	31,158	121,325	153,483
<b>Comprehensive income for the year</b>				
Profit for the year	-	-	1,383	1,383
<b>Total comprehensive income for the year</b>	-	-	1,383	1,383
<b>At 31 December 2018</b>	<u>1,000</u>	<u>31,158</u>	<u>122,708</u>	<u>154,866</u>

**Statement of changes in equity  
For the Year Ended 31 December 2017**

	Called up share capital £	Share premium account £	Profit and loss account £	Total equity £
At 1 January 2017	1,000	31,158	163,058	195,216
<b>Comprehensive income for the year</b>				
Loss for the year	-	-	(16,733)	(16,733)
<b>Total comprehensive income for the year</b>	-	-	(16,733)	(16,733)
Dividends: Equity capital	-	-	(25,000)	(25,000)
<b>At 31 December 2017</b>	<u>1,000</u>	<u>31,158</u>	<u>121,325</u>	<u>153,483</u>

The notes on pages 9 to 13 form part of these financial statements.

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## CONDUIT VENTURES LIMITED

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### Notes to the financial statements For the Year Ended 31 December 2018

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#### 1. General information

Conduit Ventures Limited is a private limited company incorporated in the United Kingdom and registered in England and Wales. The company's registered office is 3rd Floor, 12 Gough Square, London EC4A 3DW.

The principal activity for the company during the year was that of fund management and consultancy services.

#### 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 Turnover

Turnover, which is stated net of VAT, is attributable to the supply of fund management and consultancy services in the United Kingdom. The management services revenue is recognised over the period to which it relates.

##### 2.3 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:

Fixtures & fittings	- 25% on cost
Equipment	- 25% 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 the Profit and loss account.

##### 2.4 Valuation of investments

Investments are included at cost less any provision for permanent diminution in value.

**Notes to the financial statements**  
**For the Year Ended 31 December 2018**

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**2. Accounting policies (continued)**

**2.5 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.

**2.6 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.

**2.7 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 non-puttable ordinary shares.

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 comprehensive income.

**2.8 Creditors**

Basic financial instruments, including trade and other creditors, are recognised at transaction price, less any impairment.

**2.9 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 Profit and loss account except when deferred in other comprehensive income as qualifying cash flow hedges.

**Notes to the financial statements**  
**For the Year Ended 31 December 2018**

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**2. Accounting policies (continued)**

**2.10 Finance costs**

Finance costs are charged to the Profit and loss account 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.

**2.11 Dividends**

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

**2.12 Operating leases: the Company as lessee**

Rentals paid under operating leases are charged to the Profit and loss accounts on a straight line basis over the lease term.

**2.13 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 the Statement of comprehensive income 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.

**2.14 Interest income**

Interest income is recognised in the Profit and loss account using the effective interest method.

**3. Employees**

The average monthly number of employees, including directors, during the year was 2 (2017 - 1).

CONDUIT VENTURES LIMITED

**Notes to the financial statements**  
For the Year Ended 31 December 2018

**4. Tangible fixed assets**

	Fixtures & fittings £	Computer equipment £	Total £
<b>Cost or valuation</b>			
At 1 January 2018	1,150	3,467	4,617
At 31 December 2018	1,150	3,467	4,617
<b>Depreciation</b>			
At 1 January 2018	1,150	3,093	4,243
Charge for the year on owned assets	-	374	374
At 31 December 2018	1,150	3,467	4,617
<b>Net book value</b>			
At 31 December 2018	-	-	-
<b>At 31 December 2017</b>	-	374	374

**5. Fixed asset investments**

	Investments in subsidiary companies £
<b>Cost or valuation</b>	
At 1 January 2018	3
At 31 December 2018	3

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CONDUIT VENTURES LIMITED

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Notes to the financial statements  
For the Year Ended 31 December 2018

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6. Debtors

	2018 £	2017 £
Trade debtors	4,423	3,739
Amounts owed by group undertakings	232,666	-
Other debtors	46,461	191,527
Prepayments and accrued income	5,107	5,916
	<u>288,657</u>	<u>201,182</u>

7. Creditors: Amounts falling due within one year

	2018 £	2017 £
Trade creditors	25,078	15,972
Amounts owed to group undertakings	162,621	612,563
Other taxation and social security	11,818	6,393
Other creditors	25,172	89,382
Accruals and deferred income	14,460	18,719
	<u>239,149</u>	<u>743,029</u>



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