

Registered number: 3984621

HENDERSON ASSET MANAGEMENT LIMITED

**ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

WEDNESDAY



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HENDERSON ASSET MANAGEMENT LIMITED

COMPANY INFORMATION

DIRECTORS

R W Chaudhuri
A N Kurzon

COMPANY SECRETARY

Henderson Secretarial Services Limited

REGISTERED NUMBER

3984621

REGISTERED OFFICE

201 Bishopsgate
London
EC2M 3AE

INDEPENDENT AUDITORS

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
7 More London Riverside
London
SE1 2RT

HENDERSON ASSET MANAGEMENT LIMITED

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HENDERSON ASSET MANAGEMENT LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2017

The Directors present her report and the audited financial statements for the year ended 31 December 2017.

PRINCIPAL ACTIVITIES AND FUTURE OUTLOOK

The principal activity of Henderson Asset Management Limited ("the Company") is that of a holding company for certain Janus Henderson Group companies. The Company is a party to a lease agreement for a property which has been sub-let and expects to continue to be so for the foreseeable future.

RESULTS AND DIVIDENDS

The profit for the year, after taxation, amounted to £1,464,000 (2016: £2,517,000).

There were no dividends paid in the year under review (2016: nil).

BUSINESS REVIEW

The Company is a wholly owned subsidiary of Janus Henderson Group plc ("JHG plc" or "the Group"). The Group is run on an integrated basis through business units, not by the legal construct of its subsidiaries. Therefore the Company's strategy and business model is governed by that of the Group which is set out in detail in the Annual Report and Accounts of the Group, which can be obtained from its registered office as set out in note 18. The Group provides investment management services to clients throughout Europe, the Americas and Asia. The Group manages a broad range of actively managed investment products for institutional and retail investors, across multiple asset classes, including equities, fixed income, multi asset and alternatives.

On 30 May 2017, Henderson Group plc completed a merger with Janus Capital Group, Inc. This merger did not impact the principal activities or the financial statements of the Company for the year ended 31 December 2017.

DIRECTORS

The Directors of the Company who were in office during the year and up to the date of signing the financial statements were:

R W Chaudhuri (appointed 21 September 2018)
A J Formica (resigned 31 July 2018)
A N Kurzon

GOING CONCERN

The Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis for the preparation of the annual financial statements.

DISCLOSURE OF INFORMATION TO AUDITORS

So far as each person who was a Director at the date of approving this report is aware, there is no relevant audit information of which the Auditors are unaware. Each Director has taken all the steps that they are obliged to take as a director in order to make themselves aware of any relevant audit information and to establish that the Auditors are aware of that information.

PRINCIPAL RISKS

The Group's risk management framework helps the Group meet its business objectives within acceptable risk parameters and it is reviewed regularly to early identify new and emerging risks. The Group's culture embeds the management of risk at all levels within the organisation. Please refer to the Group Annual Report and Accounts for the major risks affecting the Group.

HENDERSON ASSET MANAGEMENT LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2017**

INDEPENDENT AUDITORS

It is the intention of the Directors to reappoint the Auditors under the deemed appointment rules of section 487 of the Companies Act 2006.

SMALL COMPANIES NOTE

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

This report was approved by the Board on 21 September 2018 and signed on its behalf by:

A handwritten signature in black ink, appearing to be 'A. A. L.', written in a cursive style.

Henderson Secretarial Services Limited
Secretary

HENDERSON ASSET MANAGEMENT LIMITED

**DIRECTORS' RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2017**

The Directors are responsible for preparing the Directors' Report 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 prepared the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 101 Reduced Disclosure Framework ('FRS101').

Under Company law the Directors must not approve the financial statements unless 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 judgements and accounting estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards, including FRS101, have been followed, subject to any material departures disclosed and explained in the financial statements; 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.



R W Chaudhuri
Director
21 September 2018

HENDERSON ASSET MANAGEMENT LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HENDERSON ASSET MANAGEMENT LIMITED

Report on the audit of the financial statements

Opinion

In our opinion, Henderson Asset Management Limited's financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2017 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: the statement of financial position as at 31 December 2017; the income statement and the statement of comprehensive income, the statement of changes in equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

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

- 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.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Company's ability to continue as a going concern.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The Directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance 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 an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of 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 based on these responsibilities.

With respect to the Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

HENDERSON ASSET MANAGEMENT LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HENDERSON ASSET MANAGEMENT LIMITED

Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Directors' Report for the year ended 31 December 2017 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Directors' Report.

Responsibilities for the financial statements and the audit

Responsibilities of the Directors for the financial statements

As explained more fully in the Directors' Responsibilities Statement set out on page 3, the Directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The Directors are also responsible for such internal control as they 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.

Auditors' 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 auditors' 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 FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the Company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

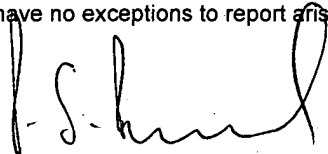
Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the Company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.



Parwinder Purewal (Senior Statutory Auditor)

for and on behalf of

PricewaterhouseCoopers LLP

Chartered Accountants and Statutory Auditors

Chartered Accountants and Statutory Auditors

London

HENDERSON ASSET MANAGEMENT LIMITED

**INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2017**

| | Notes | 2017 £000 | 2016 £000 |
|---|-------|---------------------|---------------------|
| Dividends received from subsidiary undertakings | | - | 884 |
| Operating expenses | 3 | 28 | 7 |
| Operating profit | | <u>28</u> | <u>891</u> |
| Finance income | 7 | 1,569 | 1,726 |
| Finance expense | 8 | (133) | (100) |
| Profit before tax | | <u>1,464</u> | <u>2,517</u> |
| Tax on profit | 9 | - | - |
| Profit for the financial year | | <u><u>1,464</u></u> | <u><u>2,517</u></u> |

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2017**

| | 2017 £000 | 2016 £000 |
|--|---------------------|---------------------|
| Profit for the financial year | 1,464 | 2,517 |
| Total comprehensive income for the year | <u><u>1,464</u></u> | <u><u>2,517</u></u> |

The notes on pages 9 to 15 form part of these financial statements.

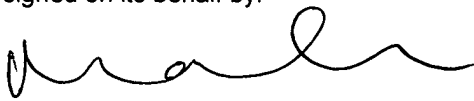
HENDERSON ASSET MANAGEMENT LIMITED
REGISTERED NUMBER: 3984621

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2017

| | Notes | 2017 £000 | 2016 £000 |
|-----------------------------------|-------|----------------|----------------|
| Current assets | | | |
| Trade and other receivables | 10 | 126,787 | 126,093 |
| Total assets | | <u>126,787</u> | <u>126,093</u> |
| Current liabilities | | | |
| Trade and other payables | 11 | (25) | (80) |
| Other provisions | 13 | (332) | (874) |
| Provisions for liabilities | | | |
| Other provisions | 13 | (1,794) | (1,967) |
| | | <u>(2,151)</u> | <u>(2,921)</u> |
| Net assets | | <u>124,636</u> | <u>123,172</u> |
| Capital and reserves | | | |
| Share capital | 15 | 275 | 275 |
| Profit and loss account | 14 | 124,361 | 122,897 |
| | | <u>124,636</u> | <u>123,172</u> |

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

The financial statements were approved and authorised for issue by the Board on 21 September and were signed on its behalf by:



R W Chaudhuri
 Director

HENDERSON ASSET MANAGEMENT LIMITED
REGISTERED NUMBER: 3984621

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2017

| | Share capital £000 | Profit and loss account £000 | Total equity £000 |
|--|--------------------------|------------------------------------|----------------------|
| At 1 January 2017 | 275 | 122,897 | 123,172 |
| Comprehensive income for the year | | | |
| Profit for the year | - | 1,464 | 1,464 |
| Total comprehensive income for the year | - | 1,464 | 1,464 |
| At 31 December 2017 | 275 | 124,361 | 124,636 |

The notes on pages 9 to 15 form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2016

| | Share capital £000 | Profit and loss account £000 | Total equity £000 |
|--|--------------------------|------------------------------------|----------------------|
| At 1 January 2016 | 275 | 120,380 | 120,655 |
| Comprehensive income for the year | | | |
| Profit for the year | - | 2,517 | 2,517 |
| Total comprehensive income for the year | - | 2,517 | 2,517 |
| At 31 December 2016 | 275 | 122,897 | 123,172 |

The notes on pages 9 to 15 form part of these financial statements.

HENDERSON ASSET MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

1. ACCOUNTING POLICIES

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared under the historical cost convention, except for certain financial instruments that have been measured at fair value, and in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' ('FRS 101') and the Companies Act 2006.

The Company financial statements are presented in GBP and all values are rounded to the nearest thousand pounds, except when otherwise indicated. The Company is a private limited company incorporated and domiciled in the UK.

Accounting policies have been consistently applied to all the years presented unless otherwise stated.

The preparation of financial statements in compliance with FRS 101 requires the use of certain critical accounting estimates. In the process of applying the Company's accounting policies, management has made significant judgements involving estimations and assumptions. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 2.

The Company is a wholly owned subsidiary of Henderson Alternative Investment Advisor Limited and of its ultimate parent, Janus Henderson Group plc. It is included within the consolidated financial statements of Janus Henderson Group plc which are publically available, see note 18. Therefore the Company is exempt by virtue of section 401 of the Companies Act 2006 from the requirement to prepare consolidated financial statements.

1.2 FINANCIAL REPORTING STANDARD 101 REDUCED DISCLOSURE EXEMPTIONS

The company has taken advantage of the following disclosure exemptions under FRS 101:

- the requirements of paragraphs 62, B64(d), B64(e), B64(g), B64(h), B64(j) to B64(m), B64(n)(ii), B64(o)(ii), B64(p), B64(q)(ii), B66 and B67 of IFRS 3 Business Combinations
- the requirements of paragraph 33(c) of IFRS 5 Non Current Assets Held For Sale and Discontinued Operations
- the requirements of IFRS 7 Financial Instruments: Disclosures
- the requirements of paragraphs 91-99 of IFRS 13 Fair Value Measurement
- the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D, 111 and 134-136 of IAS 1 Presentation of Financial Statements
- the requirements of IAS 7 Statement of Cash Flows
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors
- the requirements of paragraph 17 and 18A of IAS 24 Related Party Disclosures
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member

1.3 GOING CONCERN

The financial statements have been prepared on a going concern basis.

1.4 DIVIDENDS RECEIVED FROM SUBSIDIARY UNDERTAKINGS

Dividends received from subsidiary undertakings are recognised on the date that the right to receive payment has been established.

HENDERSON ASSET MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

1. ACCOUNTING POLICIES (CONTINUED)

1.5 OPERATING EXPENSES

Operating expenses are accrued and recognised as incurred.

1.6 INCOME TAX

The Company provides for current tax expense according to the tax laws in each jurisdiction in which it operates, using tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax is provided on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are recognised only to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised, based on tax rates and tax laws that have been enacted or substantively enacted by the reporting date.

1.7 FINANCE INCOME AND EXPENSE

Interest income and finance expense is recognised as it accrues using the effective interest rate method.

1.8 FINANCIAL ASSETS

Trade and other receivables, which generally have 30 day payment terms, are initially recognised at fair value, normally equivalent to the invoice amount. When the time value of money is material, the fair value is discounted. Provision for specific doubtful debts is made when there is evidence that the Company may not be able to recover balances in full. Balances are written off when the receivable amount is deemed irrecoverable.

1.9 FINANCIAL LIABILITIES

Financial liabilities including trade and other payables but excluding provisions and derivative financial instruments are stated at amortised cost using the effective interest rate method. Amortised cost is calculated by taking into account any issue costs and any discount or premium on settlement.

1.10 PROVISIONS

Provisions which are liabilities of uncertain timing or amount, are recognised when: the Company has a present obligation, legal or constructive, as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount. In the event that the time value of money is material, provisions are determined by discounting the expected future cash flows at a discount rate that reflects a current market assessment of the time value of money and, where appropriate, the risks specific to the liability. When discounting, the increase in the provision due to the passage of time is recognised as a finance charge.

HENDERSON ASSET MANAGEMENT LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

1. ACCOUNTING POLICIES (CONTINUED)

1.11 FOREIGN CURRENCY TRANSLATION

The functional currency of the Company is GBP. Transactions in foreign currencies are recorded at the appropriate exchange rate prevailing at the date of the transaction. Foreign currency monetary balances at the reporting date are converted at the prevailing exchange rate. Foreign currency non monetary balances carried at fair value or cost are translated at the rates prevailing at the date when the fair value or cost is determined. Gains and losses arising on retranslation are taken to the Income Statement.

1.12 SHARE CAPITAL

The Company's ordinary and deferred shares are classified as equity instruments. Shares issued by the company are recorded at the fair value of proceeds received with any excess over the par value recorded as share premium. Direct costs, net of tax are deducted from equity through share premium.

1.13 DIVIDEND RECOGNITION

Dividend distributions to the Company's shareholders are recognised in the accounting period in which the dividends are declared as a deduction from equity.

2. JUDGEMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the process of applying the Company's accounting policies, management has made a significant judgement involving estimations and assumptions which is summarised below:

Provisions

By their nature, provisions often reflect significant levels of judgement or estimates by management. The nature and amount of the provisions included in the Statement of Financial Position are detailed in note 13.

3. OPERATING EXPENSES

The operating expenses comprise:

| | 2017 £000 | 2016 £000 |
|------------------------------|--------------|--------------|
| Foreign exchange differences | 4 | (7) |
| Office costs | (32) | - |
| | <u>(28)</u> | <u>(7)</u> |

4. AUDITORS' REMUNERATION

Auditors remuneration of £3,131 (2016: £3,040) in respect of the Company's financial statements is borne by a fellow Group undertaking.

HENDERSON ASSET MANAGEMENT LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

5. EMPLOYEES

The Company did not have employees during the current and prior year. The UK group's employee contracts of employment are with Henderson Administration Limited, a group undertaking and staff costs are disclosed in that company's financial statements.

6. DIRECTORS' REMUNERATION

The Directors of the Company were employed and remunerated by the Group in respect of their service to the Group as a whole. The Directors do not believe that the remuneration received is in respect of qualifying services of the Company and therefore no further remuneration disclosure is given.

7. FINANCE INCOME

| | 2017 | 2016 |
|--|---------------------|--------------|
| | £000 | £000 |
| Interest receivable on balances due from Group companies | 1,569 | 1,673 |
| Gain on disposal of investment | - | 50 |
| Other interest receivable | - | 3 |
| | <u>1,569</u> | <u>1,726</u> |

8. FINANCE EXPENSE

| | 2017 | 2016 |
|------------------------------|-------------------|-------------|
| | £000 | £000 |
| Void property finance charge | 133 | 100 |
| | <u>133</u> | <u>100</u> |

9. TAXATION

| | 2017 | 2016 |
|---------------------------|-------------|-------------|
| | £000 | £000 |
| CURRENT TAX CHARGE | | |
| Charge for the year | - | - |
| TOTAL CURRENT TAX | <u>-</u> | <u>-</u> |

HENDERSON ASSET MANAGEMENT LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

9. TAXATION (CONTINUED)

FACTORS AFFECTING TAX CREDIT FOR THE YEAR

The UK corporation tax rate applicable for the year is 19.25% (2016: 20.00%). The tax assessed to the Company for the year is lower than (2016 - lower than) the standard rate of corporation tax in the UK. The differences are explained below:

| | 2017 | 2016 |
|--|--------------|-------------|
| | £000 | £000 |
| Profit on ordinary activities before tax | 1,464 | 2,517 |
| Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19.25% (2016 - 20.00%) | 282 | 503 |
| EFFECTS OF: | | |
| Income not taxable for tax purposes | - | (176) |
| Transfer in of capital gain from Group companies | - | 14 |
| Net adjustment on disposal of investment | - | (24) |
| Group relief claimed for nil consideration and worldwide debt cap adjustments | (282) | (317) |
| TOTAL TAX CHARGE FOR THE YEAR | - | - |

FACTORS THAT MAY AFFECT FUTURE TAX CHARGES

Reductions in the UK corporation tax rate from 20% to 19% from 1 April 2017 and to 17% from 1 April 2020 have been substantively enacted. These tax rate changes will affect the Company's current tax charge or credit in future years.

10. TRADE AND OTHER RECEIVABLES

| | 2017 | 2016 |
|------------------------------------|----------------|-------------|
| | £000 | £000 |
| Amounts owed by Group undertakings | 126,248 | 125,243 |
| Other receivables | 539 | 850 |
| | 126,787 | 126,093 |

Amounts owed by Group undertakings accrue interest at the Bank of England base rate plus 1%.

HENDERSON ASSET MANAGEMENT LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

11. TRADE AND OTHER PAYABLES

| | 2017 | 2016 |
|-------------------------|-------------|-------------|
| | £000 | £000 |
| Value added tax payable | 25 | 80 |
| | 25 | 80 |
| | 25 | 80 |

12. OPERATING LEASE COMMITMENTS

In March 2009, the Company became party to a 7 year lease and a 12 year lease for floors at 1 Knightsbridge Green, London and 8 Lancelot Place, London respectively. Under the terms of these leases, the rent is subject to upward review every five years from the term commencement date, to open market rent. The lease in respect of 1 Knightsbridge Green expired during 2016. For further information see note 13.

Future minimum lease payments under non-cancellable operating leases fall due as follows:

| | 2017 | 2016 |
|-------------------|-------------|-------------|
| | £000 | £000 |
| Within one year | 3,091 | 3,091 |
| Between 2-5 years | 10,819 | 12,364 |
| After 5 years | - | 1,546 |
| | 13,910 | 17,001 |
| | 13,910 | 17,001 |

The total future minimum sublease payments expected to be received under non-cancellable subleases within one year at 31 December 2017 were £2,694,462 (2016: £2,096,000).

13. PROVISIONS

| | 2017 |
|----------------------------|--------------|
| | £000 |
| At 1 January 2017 | 2,841 |
| Finance charge | 133 |
| Utilisation | (848) |
| At 31 December 2017 | 2,126 |

An onerous lease provision has been recognised at the net present value of the excess of lease rentals under onerous contracts, over the amounts expected to be received by sub-letting these properties. The discounting of expected cashflows will be unwound over the term of the underlying leases as a void property finance charge to the Income Statement.

£332,000 of the onerous lease provision has been classified as current and £1,794,000 as non-current.

HENDERSON ASSET MANAGEMENT LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

14. RESERVES

Profit and loss account

The profit and loss account comprises:

- results recognised through the Income Statement; and
- dividends paid to equity shareholders.

15. ORDINARY SHARE CAPITAL

| | 2017 £000 | 2016 £000 |
|--|---------------|---------------|
| AUTHORISED | | |
| 2,542,543 (2016: 2,542,543) "A" Ordinary shares of £5 each | 12,713 | 12,713 |
| 55,000 (2016: 55,000) "B" Ordinary shares of £5 each | 275 | 275 |
| 35,036 (2016: 35,036) "C" Ordinary shares of £5 each | 175 | 175 |
| 490,002 (2016: 490,002) "D" Ordinary shares of £1 each | 490 | 490 |
| 52,500 (2016: 52,500) "F" Ordinary shares of £1 each | 53 | 53 |
| 222,300 (2016: 222,300) "I" Ordinary shares of £1 each | 222 | 222 |
| 222,303,000 (2016: 222,303,000) Deferred shares of £0.001 each | 222 | 222 |
| | 14,150 | 14,150 |
| ALLOTTED, CALLED UP AND FULLY PAID | | |
| 55,000 (2016: 55,000) "B" Ordinary shares of £5 each | 275 | 275 |
| | 275 | 275 |

16. CONTINGENT LIABILITIES

In the normal course of business, the Group is exposed to certain legal or tax matters, which could involve litigation and arbitration, and may result in contingent liabilities. The Directors are not aware of any contingent liabilities requiring disclosure in these financial statements as at 31 December 2017 or 2016.

17. EVENTS AFTER THE END OF THE REPORTING YEAR

The Board of Directors has not received as at 21 September 2018, being the date the financial statements were approved, any information concerning significant conditions in existence at the reporting date, which have not been reflected in the financial statements as presented.

18. CONTROLLING PARTY

The Company's immediate parent undertaking is Henderson Alternative Investment Advisor Limited, a company incorporated in the United Kingdom and the ultimate parent undertaking and controlling party is Janus Henderson Group plc, a company incorporated in Jersey which is the parent undertaking of the smallest and largest group to consolidate these financial statements. A copy of the Group's Annual Report and Accounts for the year ended 31 December 2017 can be obtained from its registered office at 47 Esplanade, St Helier, Jersey, JE1 0BD or its website, www.janushenderson.com.