

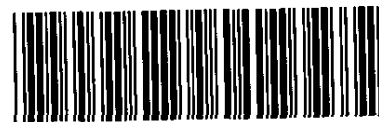
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**STEERPIKE LIMITED**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2017**

THURSDAY



A23 \*A7GCKJMP\* #325  
11/10/2018  
COMPANIES HOUSE

## **STEERPIKE LIMITED**

### **COMPANY INFORMATION**

<b>DIRECTORS</b>	G M Sumner T Styler Sumner F C Fowler
<b>COMPANY SECRETARY</b>	T S Sumner and A M Sumner
<b>REGISTERED NUMBER</b>	01444906
<b>REGISTERED OFFICE</b>	Tower Bridge House St Katharine's Way London E1W 1DD
<b>TRADING ADDRESS</b>	35 Endell Street London WC2H 9BA
<b>INDEPENDENT AUDITORS</b>	Price Bailey LLP Chartered Accountants & Statutory Auditors Dashwood House 69 Old Broad Street London EC2M 1QS
<b>BANKERS</b>	HSBC Private Bank (UK) Limited 78 St James' Street London SW1A 1JB
<b>COUNTRY OF INCORPORATION</b>	United Kingdom

## **STEERPIKE LIMITED**

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## **STEERPIKE LIMITED**

### **GROUP STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2017**

#### **INTRODUCTION**

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

#### **BUSINESS REVIEW**

There were no significant changes to the Group's activities during the year under review.

The management of the business and the execution of the Group's strategy are subject to a number of risks.

The Group has in place a risk management programme that seeks to limit the possible adverse effects on the financial performance of the group by monitoring levels of cash and performing a thorough appraisal of any potential new projects. The Group does not use derivative financial instruments or manage interest rate costs and, as such, no hedge accounting is applied

Given the size of the Group, the Directors have not delegated the responsibility of monitoring financial risk management to a sub-committee of the Board. The Group's finance department implements policies set by the Board of Directors. The department has specific guidelines agreed by the directors to manage interest rate risk, credit risk and circumstances where it would be appropriate to use financial instruments to manage these.

#### **PRINCIPAL RISKS AND UNCERTAINTIES**

##### **Credit Risk**

With the exception of inter Group debtors, the amount of exposure to any individual counterparty is limited. All credit risk exposure, including inter Group indebtedness, is assessed continually by the Board.

##### **Liquidity and cash flow risk**

The Group maintains a mixture of long term and short term debt finance that is to ensure the Group has sufficient available funds for operations and planned expansions. Any new debt finance would have to be approved by the Board of Directors before it was taken on. The Group has net liabilities but the Directors prepare the financial statements on the going concern basis as the Group has the financial support of the majority shareholder.

##### **Interest rate risk**

The Group has interest bearing assets. Interest bearing assets include only cash and deposits that earn interest based on prevailing bank rates.

##### **Price risk**

Expenditure made by the group is authorised by management prior to it being made in order to ensure that goods and services are not obtained at a higher price than necessary.

**STEERPIKE LIMITED**

**GROUP STRATEGIC REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2017**

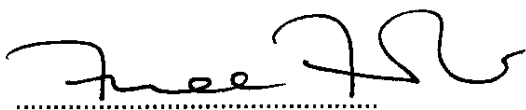
**FINANCIAL KEY PERFORMANCE INDICATORS**

Given the straight forward nature of the business, the Company's Directors are of the opinion that analysis using key performance indicators is not necessary for an understanding of the development, performance or position of the business as each year's results are different.

**FUTURE DEVELOPMENTS**

There are no significant future developments known of that would materially affect the future results and performance of the Group.

This report was approved by the board and signed on its behalf.

A handwritten signature in black ink, appearing to read 'F C Fowler', written over a dotted line.

**F C Fowler**  
Director

Date: 30.09.2018

## **STEERPIKE LIMITED**

### **DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2017**

The directors present their report and the financial statements for the year ended 31 December 2017.

#### **DIRECTORS**

The directors who served during the year were:

G M Sumner  
T Styler Sumner  
F C Fowler

#### **PRINCIPAL ACTIVITY**

The principal activities of the group are split into two distinct areas as follows:

- a) The collection of royalties and management of activities of artists in the entertainment and film production industry.
- b) Wine and food production and distribution.

#### **DIRECTORS' RESPONSIBILITIES STATEMENT**

The directors are responsible for preparing the Group Strategic Report, the Directors' Report and the consolidated 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 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 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 the Group and of the profit or loss of the Group for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the Group'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 Group 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 the Group and to 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 the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Group's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements and other information included in the Directors' Report may differ from legislation in other jurisdictions.

#### **RESULTS AND DIVIDENDS**

The profit for the year, after taxation and minority interests, amounted to £9,055,648 (2016 - loss £1,122,840).

The consolidated Profit and Loss account for the year is set out on page 9.

**STEERPIKE LIMITED**

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

**MATTERS COVERED IN THE STRATEGIC REPORT**

Under section 414C (11) of the Companies Act 2006, the information relating to future developments and risk management are included in the strategic report.

**DISCLOSURE OF INFORMATION TO AUDITORS**

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company and the Group's auditors are unaware, and
- the director 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 and the Group's auditors are aware of that information.

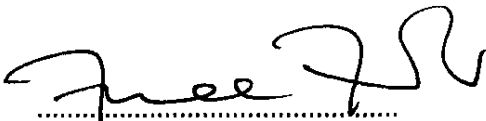
**POST BALANCE SHEET EVENTS**

There have been no significant events affecting the Group since the year end.

**AUDITORS**

The auditors, Price Bailey LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board and signed on its behalf.



**F C Fowler**  
Director

Date: **30.09.2018**

## **STEERPIKE LIMITED**

### **INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF STEERPIKE LIMITED**

#### **OPINION**

We have audited the financial statements of Steerpike Limited (the 'parent Company') and its subsidiaries (the 'Group') for the year ended 31 December 2017, which comprise the Group Profit and Loss Account, the Group Statement of Comprehensive Income, the Group and Company Balance Sheets, the Group Statement of Cash Flows, the Group and Company 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 Group's and of the parent Company's affairs as at 31 December 2017 and of the Group's 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group 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 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 Group's or the parent 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 Auditors' 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.



## **STEERPIKE LIMITED**

### **INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF STEERPIKE LIMITED (CONTINUED)**

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

### **MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION**

In light of the knowledge and understanding of the Group and the parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group Strategic Report or the Directors' 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 by the parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent Company 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.

### **RESPONSIBILITIES OF DIRECTORS**

As explained more fully in the Directors' Responsibilities Statement on page 3, 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 Group's and the parent 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 Group or the parent Company or to cease operations, or have no realistic alternative but to do so.

## STEERPIKE LIMITED

### INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF STEERPIKE LIMITED (CONTINUED)

#### 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 Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditors' 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 Auditors' 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.



Richard Vass (Senior Statutory Auditor)

for and on behalf of  
**Price Bailey LLP**

Chartered Accountants  
Statutory Auditors

Dashwood House  
69 Old Broad Street  
London  
EC2M 1QS

Date: *4th October 2018*

STEERPIKE LIMITED

CONSOLIDATED PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31 DECEMBER 2017

	Note	2017 £	2016 £
Turnover		18,355,075	14,052,539
Cost of sales		(7,798,015)	(7,612,736)
<b>GROSS PROFIT</b>		<b>10,557,060</b>	<b>6,439,803</b>
Administrative expenses		(3,549,740)	(7,950,519)
Exceptional item	5	914,266	-
<b>OPERATING PROFIT/(LOSS)</b>	6	<b>7,921,586</b>	<b>(1,510,716)</b>
Investment income	10	43,858	247,979
Amounts written off investments		(409,954)	(425,937)
Interest receivable and similar income	11	755,346	543,104
Interest payable and similar expenses	12	(40,822)	(35,853)
<b>PROFIT/(LOSS) BEFORE TAX</b>		<b>8,270,014</b>	<b>(1,181,423)</b>
Tax on profit/(loss)	13	932,556	-
<b>PROFIT/(LOSS) FOR THE FINANCIAL YEAR</b>		<b>9,202,570</b>	<b>(1,181,423)</b>
<b>PROFIT/(LOSS) FOR THE YEAR ATTRIBUTABLE TO:</b>			
Non-controlling interests		146,922	(58,583)
Owners of the parent		9,055,648	(1,122,840)
		<b>9,202,570</b>	<b>(1,181,423)</b>

The notes on pages 19 to 41 form part of these financial statements.

**STEERPIKE LIMITED**

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

	2017 £	2016 £
Profit/(loss) for the financial year	9,202,570	(1,181,423)
<b>OTHER COMPREHENSIVE INCOME</b>		
<i>Currency translation differences</i>	278,904	201,329
<b>OTHER COMPREHENSIVE INCOME FOR THE YEAR</b>	278,904	201,329
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>	9,481,474	(980,094)
<b>PROFIT/(LOSS) FOR THE YEAR ATTRIBUTABLE TO:</b>		
Non-controlling interest	146,922	(58,583)
Owners of the parent Company	9,055,648	(1,122,840)
	9,202,570	(1,181,423)
<b>TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:</b>		
Non-controlling interest	146,922	(58,583)
Owners of the parent Company	9,334,552	(921,511)
	9,481,474	(980,094)

The notes on pages 19 to 41 form part of these financial statements.

**STEERPIKE LIMITED**  
**REGISTERED NUMBER: 01444906**

**CONSOLIDATED BALANCE SHEET**  
**AS AT 31 DECEMBER 2017**

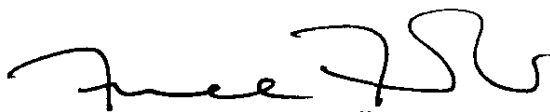
	Note	2017 £	2016 £
<b>FIXED ASSETS</b>			
Intangible assets	14	60,981	42,576
Tangible assets	15	1,228,191	1,524,819
Investments	16	1,129,943	1,521,877
		<u>2,419,115</u>	<u>3,089,272</u>
<b>CURRENT ASSETS</b>			
Stocks	17	1,110,394	977,796
Debtors: amounts falling due after more than one year	18	18,530,598	20,322,560
Debtors: amounts falling due within one year	18	4,788,613	4,769,003
Cash at bank and in hand	19	984,977	477,653
		<u>25,414,582</u>	<u>26,547,012</u>
Creditors: amounts falling due within one year	20	(3,671,101)	(6,842,962)
<b>NET CURRENT ASSETS</b>		<u>21,743,481</u>	<u>19,704,050</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>24,162,596</u>	<u>22,793,322</u>
Creditors: amounts falling due after more than one year	21	(54,182,721)	(62,433,849)
<b>PROVISIONS FOR LIABILITIES</b>			
Deferred taxation	24	-	(52,979)
		<u>-</u>	<u>(52,979)</u>
<b>NET LIABILITIES</b>		<u><u>(30,020,125)</u></u>	<u><u>(39,693,506)</u></u>

**STEERPIKE LIMITED**  
**REGISTERED NUMBER: 01444906**

**CONSOLIDATED BALANCE SHEET (CONTINUED)**  
**AS AT 31 DECEMBER 2017**

	Note	2017 £	2016 £
<b>CAPITAL AND RESERVES</b>			
Called up share capital	25	100	100
Revaluation reserve	26	56,072	68,632
Other reserves	26	191,907	-
Profit and loss account	26	(29,594,696)	(38,941,808)
<b>EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT COMPANY</b>		<u>(29,346,617)</u>	<u>(38,873,076)</u>
Non-controlling interests		<u>(673,508)</u>	<u>(820,430)</u>
		<u><u>(30,020,125)</u></u>	<u><u>(39,693,506)</u></u>

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



.....  
F C Fowler  
Director

Date: 30.09.2018

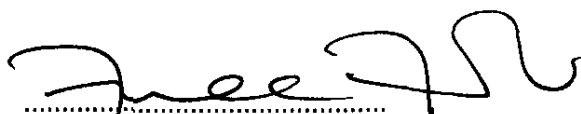
The notes on pages 19 to 41 form part of these financial statements.

**STEERPIKE LIMITED**  
**REGISTERED NUMBER: 01444906**

**COMPANY BALANCE SHEET**  
**AS AT 31 DECEMBER 2017**

	Note	2017 £	As restated 2016 £
<b>FIXED ASSETS</b>			
Tangible assets	15	37,487	68,290
Investments	16	9,151,504	1,551,024
		<u>9,188,991</u>	<u>1,619,314</u>
<b>CURRENT ASSETS</b>			
Debtors: amounts falling due after more than one year	18	898,000	898,000
Debtors: amounts falling due within one year	18	6,570,360	11,096,632
Cash at bank and in hand	19	139,642	50,239
		<u>7,608,002</u>	<u>12,044,871</u>
Creditors: amounts falling due within one year	20	(16,456,244)	(17,422,948)
<b>NET CURRENT LIABILITIES</b>		<u>(8,848,242)</u>	<u>(5,378,077)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>340,749</u>	<u>(3,758,763)</u>
Creditors: amounts falling due after more than one year	21	(16,650,016)	(12,165,662)
<b>NET ASSETS EXCLUDING PENSION ASSET</b>		<u>(16,309,267)</u>	<u>(15,924,425)</u>
<b>NET LIABILITIES</b>		<u>(16,309,267)</u>	<u>(15,924,425)</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	25	100	100
Profit and loss account	26	(16,309,367)	(15,924,525)
		<u>(16,309,267)</u>	<u>(15,924,425)</u>

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



.....  
F C Fowler  
Director

Date: 30.09.2018 .

The notes on pages 19 to 41 form part of these financial statements.

**STEERPIKE LIMITED**

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

	Called up share capital £	Revaluation reserve £	Other reserves £	Profit and loss account £	Equity attributable to owners of parent Company £	Non- controlling interests £	Total equity £
At 1 January 2017	100	68,632	-	(38,941,808)	(38,873,076)	(820,430)	(39,693,506)
<b>COMPREHENSIVE INCOME FOR THE YEAR</b>							
Profit for the year	-	-	-	9,055,648	9,055,648	146,922	9,202,570
Currency translation differences	-	-	-	278,904	278,904	-	278,904
<b>OTHER COMPREHENSIVE INCOME FOR THE YEAR</b>	-	-	-	278,904	278,904	-	278,904
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>	-	-	-	9,334,552	9,334,552	146,922	9,481,474
Transfer to/from profit and loss account	-	(12,560)	-	12,560	-	-	-
Transactions with owners	-	-	191,907	-	191,907	-	191,907
<b>TOTAL TRANSACTIONS WITH OWNERS</b>	-	(12,560)	191,907	12,560	191,907	-	191,907
<b>AT 31 DECEMBER 2017</b>	100	56,072	191,907	(29,594,696)	(29,346,617)	(673,508)	(30,020,125)

The notes on pages 19 to 41 form part of these financial statements



STEERPIKE LIMITED

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

	Called up share capital	Revaluation reserve	Profit and loss account	Equity attributable to owners of parent Company	Non- controlling interests	Total equity
	£	£	£	£	£	£
At 1 January 2016 (as previously stated)	100	81,095	(40,593,244)	(40,512,049)	(761,847)	(41,273,896)
Prior year adjustment	-	-	2,563,132	2,563,132	-	2,563,132
At 1 January 2016 (as restated)	100	81,095	(38,030,112)	(37,948,917)	(761,847)	(38,710,764)
<b>COMPREHENSIVE INCOME FOR THE YEAR</b>						
Loss for the year	-	-	(1,122,840)	(1,122,840)	(58,583)	(1,181,423)
Currency translation differences	-	-	201,329	201,329	-	201,329
<b>OTHER COMPREHENSIVE INCOME FOR THE YEAR</b>	-	-	201,329	201,329	-	201,329
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>	-	-	(921,511)	(921,511)	(58,583)	(980,094)
Transfer to/from profit and loss account	-	(12,463)	12,463	-	-	-
Transactions with owners	-	-	(2,648)	(2,648)	-	(2,648)
<b>TOTAL TRANSACTIONS WITH OWNERS</b>	-	(12,463)	9,815	(2,648)	-	(2,648)
<b>AT 31 DECEMBER 2016</b>	100	68,632	(38,941,808)	(38,873,076)	(820,430)	(39,693,506)

The notes on pages 19 to 41 form part of these financial statements.

**STEERPIKE LIMITED**

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

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 January 2017 (as previously stated)	100	(22,281,651)	(22,281,551)
Prior year adjustment	-	6,357,126	6,357,126
At 1 January 2017 (as restated)	<u>100</u>	<u>(15,924,525)</u>	<u>(15,924,425)</u>
<b>COMPREHENSIVE INCOME FOR THE YEAR</b>			
Loss for the year	-	(384,842)	(384,842)
<b>OTHER COMPREHENSIVE INCOME FOR THE YEAR</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>	-	(384,842)	(384,842)
<b>TOTAL TRANSACTIONS WITH OWNERS</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>AT 31 DECEMBER 2017</b>	<u><u>100</u></u>	<u><u>(16,309,367)</u></u>	<u><u>(16,309,267)</u></u>

The notes on pages 19 to 41 form part of these financial statements.

**STEERPIKE LIMITED**

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

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 January 2016 (as previously stated)	100	(19,606,422)	(19,606,322)
Prior year adjustment	-	2,424,622	2,424,622
At 1 January 2016 (as restated)	100	(17,181,800)	(17,181,700)
<b>COMPREHENSIVE INCOME FOR THE YEAR</b>			
Profit for the year	-	1,257,275	1,257,275
<b>OTHER COMPREHENSIVE INCOME FOR THE YEAR</b>	-	-	-
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>	-	1,257,275	1,257,275
<b>TOTAL TRANSACTIONS WITH OWNERS</b>	-	-	-
<b>AT 31 DECEMBER 2016</b>	100	(15,924,525)	(15,924,425)

The notes on pages 19 to 41 form part of these financial statements.

**STEERPIKE LIMITED**

**CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 DECEMBER 2017**

	2017 £	2016 £
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit/ (Loss) for the year	9,202,570	(1,181,423)
<b>ADJUSTMENTS FOR:</b>		
Amortisation of intangible assets	3,740	25,671
Depreciation of tangible assets	593,529	581,249
Impairments of fixed assets	-	13,724
Loss on disposal of tangible assets	9,716	12,285
Interest paid	40,822	35,853
Interest received	(416,959)	(543,104)
Taxation charge	(932,556)	-
(Increase)/decrease in stocks	(132,598)	105,713
Decrease/(increase) in debtors	966,261	(3,773,627)
(Decrease)/increase in creditors	(2,660,708)	8,170,193
Net fair value losses recognised in P&L	324,453	432,216
Corporation tax (paid)/received	(462)	-
Dividends received	(43,858)	(247,979)
Foreign exchange revaluations	(1,469,491)	(6,278)
(Profit)/loss on disposal of fixed asset investments	10,000	-
Discounting loan term loans	(338,387)	-
<b>NET CASH GENERATED FROM OPERATING ACTIVITIES</b>	<u>5,156,072</u>	<u>3,624,493</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of intangible fixed assets	(20,164)	(54,479)
Purchase of tangible fixed assets	(267,257)	(560,651)
Sale of listed investments	-	31,223
Purchase of unlisted and other investments	(10,434)	(66,806)
Interest received	416,959	543,104
HP interest paid	(2,763)	(2,925)
Dividends received	43,858	247,979
<b>NET CASH FROM INVESTING ACTIVITIES</b>	<u>160,199</u>	<u>137,445</u>

**STEERPIKE LIMITED**

**CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2017**

	2017 £	2016 £
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Repayment of other loans	(8,675,993)	(6,161,283)
Repayment of/new finance leases	(25,988)	(18,609)
Loans due from/(repaid to) directors	4,018,314	2,117,614
Interest paid	(38,059)	(32,928)
<b>NET CASH USED IN FINANCING ACTIVITIES</b>	<u>(4,721,726)</u>	<u>(4,095,206)</u>
<b>INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	594,545	(333,268)
Cash and cash equivalents at beginning of year	390,432	723,700
<b>CASH AND CASH EQUIVALENTS AT THE END OF YEAR</b>	<u>984,977</u>	<u>390,432</u>
<b>CASH AND CASH EQUIVALENTS AT THE END OF YEAR COMPRISE:</b>		
Cash at bank and in hand	984,977	477,653
Bank overdrafts	-	(87,221)
	<u>984,977</u>	<u>390,432</u>

The notes on pages 19 to 41 form part of these financial statements.

## **STEERPIKE LIMITED**

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

#### **1. GENERAL INFORMATION**

Steerpike Limited (01444906) (the 'Company') is a private company limited by shares incorporated in England and Wales. The registered office is Tower Bridge House, St Katherines Way, London E1W 1DD.

#### **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 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 Group management to exercise judgment in applying the Group's accounting policies (see note 2).

The following principal accounting policies have been applied:

##### **2.2 BASIS OF CONSOLIDATION**

The consolidated financial statements present the results of the Company and its own subsidiaries ("the Group") as if they form a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the Balance Sheet, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the Consolidated Profit and Loss Account from the date on which control is obtained. They are deconsolidated from the date control ceases.

##### **2.3 GOING CONCERN**

The financial statements have been prepared on a going concern basis. This is considered appropriate as the ultimate controlling party continues to provide financial support to the company and has agreed to continue to do so for the foreseeable future, enabling the company to meet all its obligations as they fall due.

##### **2.4 REVENUE RECOGNITION**

Revenue represents royalties and non returnable advances received and receivable in the period together with the invoiced value of sales of goods and services net of VAT and trade discounts.

Where revenue relates to royalty income this is recognised on an accruals basis. Royalties payable are then matched to royalties receivable. Accrued income received during the period between the year end and the completion of the financial statements is included on an actual basis.

Advances received and receivable are recognised as revenue in the period to which the royalty income relates. Therefore a provision is made for royalties payable on advances received only to the extent that the advances have been recouped.

Revenue for the sale of goods is recognised at the point of despatch to customers.

## STEERPIKE LIMITED

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

## 2. ACCOUNTING POLICIES (CONTINUED)

### 2.5 INTANGIBLE ASSETS

#### Goodwill

Goodwill represents the difference between amounts paid on the cost of a business combination and the Group's interest in the fair value of the identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, Goodwill is amortised on a straight line basis to the Profit and Loss Account over its useful economic life.

#### Other intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment of losses.

The treatment of development costs is detailed in accounting policy 1.10.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed five years.

Amortisation is provided as follows.

Trademarks - 18 years straight line

Software - 2 years straight line

### 2.6 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 or reducing balance method.

Depreciation is provided on the following basis:

Freehold property	-	5% straight line
Long-term leasehold property	-	20% straight line
Short-term leasehold property	-	20% straight line
Fixtures, fittings & equipment	-	25% reducing balance

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.

## **STEERPIKE LIMITED**

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

#### **2. ACCOUNTING POLICIES (CONTINUED)**

##### **2.7 REVALUATION OF TANGIBLE FIXED ASSETS**

Individual freehold and leasehold properties are carried at fair value at the date of the revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations are undertaken with sufficient regularity to ensure the carrying amount does not differ materially from that which would be determined using fair value at the Balance Sheet date.

Fair values are determined from market based evidence normally undertaken by professionally qualified valuers.

Revaluation gains and losses are recognised in the revaluation reserve, unless losses exceed the previously recognised gains, or reflect a clear consumption of economic benefits, in which case the excess losses are recognised in profit or loss.

##### **2.8 OPERATING LEASES: THE GROUP AS LESSEE**

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

##### **2.9 OPERATING LEASES: THE GROUP AS LESSOR**

Rentals income from operating leases is credited to the Consolidated Profit and Loss Account on a straight line basis over the term of the relevant lease.

Amounts paid and payable as an incentive to sign an operating lease are recognised as a reduction to income over the lease term on a straight line basis, unless another systematic basis is representative of the time pattern over which the lessor's benefit from the leased asset is diminished.

The Group has taken advantage of the optional exemption available on transition to FRS 102 which allows lease incentives on leases entered into before the date of transition to the standard 01 January 2016 to continue to be charged over the period to the first market rent review rather than the term of the lease.

##### **2.10 IMPAIRMENT OF FIXED ASSETS AND GOODWILL**

Assets that are subject to depreciation or amortisation are assessed at each balance sheet date to determine whether there is any indication that the assets are impaired. Where there is any indication that an asset may be impaired, the carrying value of the asset (or cash-generating unit to which the asset has been allocated) is tested for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's (or CGU's) fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (CGUs). Non-financial assets that have been previously impaired are reviewed at each balance sheet date to assess whether there is any indication that the impairment losses recognised in prior periods may no longer exist or may have decreased.

##### **2.11 DEVELOPMENT COSTS**

Development costs are stated at cost less a provision, if necessary, to reduce the carrying value to net realisable value.

##### **2.12 VALUATION OF INVESTMENTS**

Unlisted investments are measured at the current market valuations provided by the investment fund managers at the balance sheet date.



## **STEERPIKE LIMITED**

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

#### **2. ACCOUNTING POLICIES (CONTINUED)**

##### **2.13 STOCKS**

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Net realisable value is based on estimated selling price less the costs to sell.

Stocks relating to food manufacturing included all direct costs and an appropriate portion of fixed and variable overheads.

##### **2.14 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.

In the Consolidated Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Group's cash management.

##### **2.15 FINANCIAL INSTRUMENTS**

The Group only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities including trade and other accounts receivable and payable, loans from banks and other third parties, loans to related parties and investments in listed shares and unlisted investment funds.

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 financed at a rate of interest that is not a market rate or in the case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

## **STEERPIKE LIMITED**

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

#### **2. ACCOUNTING POLICIES (CONTINUED)**

##### **2.16 FOREIGN CURRENCY TRANSLATION**

The financial statements are prepared in sterling, which is the functional currency of the group. Monetary amounts in these financial statements are rounded to the nearest pound.

##### **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 Consolidated Profit and Loss Account except when deferred in other comprehensive income as qualifying cash flow hedges.

On consolidation, the results of overseas operations are translated into Sterling at rates approximating to those ruling when the transactions took place. All assets and liabilities of overseas operations are translated at the rate ruling at the reporting date. Exchange differences arising on translating the opening net assets at opening rate and the results of overseas operations at actual rate are recognised in other comprehensive income.

##### **2.17 FINANCE COSTS**

Finance costs are charged to the Consolidated 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.

##### **2.18 LEASED ASSETS: THE GROUP AS LESSEE**

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Consolidated Profit and Loss Account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

##### **2.19 PENSIONS**

The group operates a defined contribution pension scheme for some employees.

The contributions are recognised as an expense in the Profit and Loss account 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 group in independently administered funds.

## **STEERPIKE LIMITED**

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

#### **2. ACCOUNTING POLICIES (CONTINUED)**

##### **2.20 INTEREST INCOME**

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

##### **2.21 CURRENT AND DEFERRED TAXATION**

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Consolidated Profit and Loss Account, 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 and the Group operate and generate 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;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the Group can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

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.

##### **2.22 EXCEPTIONAL ITEMS**

Exceptional items are transactions that fall within the ordinary activities of the Group but are presented separately due to their size or incidence.

# STEERPIKE LIMITED

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

### 3. JUDGMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where revisions affects only that period.

The following critical accounting estimate and judgement was applied by the directors which has a significant impact on amounts disclosed in the financial statements:

#### Valuation of wine stock (Note 16)

The stock relating to wine (£693,072) held at the balance sheet date was valued using 80% of the market value. This provides some scope for material uncertainty where some products were not available for sale at the balance sheet date. The directors believe that the market value of unsold products should be based on similar products sold in previous years.

### 4. TURNOVER

An analysis of turnover by class of business is as follows:

	2017 £	2016 £
Royalties and management of artist activities	11,517,697	8,733,537
Wine, food production and distribution	6,837,378	5,319,002
	<u>18,355,075</u>	<u>14,052,539</u>

Analysis of turnover by country of destination:

	2017 £	2016 £
United Kingdom	6,875,996	5,096,631
Rest of Europe	4,902,855	3,063,187
Rest of the World	6,576,224	5,892,721
	<u>18,355,075</u>	<u>14,052,539</u>

**STEERPIKE LIMITED**

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

**5. EXCEPTIONAL ITEM**

	2017 £	2016 £
Exceptional item - loans written off on liquidation	914,266	-
	<u>914,266</u>	<u>-</u>

**6. OPERATING PROFIT/(LOSS)**

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

	2017 £	2016 £
Research & development charged as an expense	14,671	81,798
Exchange differences	(1,761,492)	3,199,037
Other operating lease rentals	56,700	56,526
Depreciation	593,529	581,249
Amortisation	20,164	25,671
	<u>                    </u>	<u>                    </u>

**7. AUDITORS' REMUNERATION**

	2017 £	2016 £
Fees payable to the Group's auditor and its associates for the audit of the Group's annual accounts	9,050	8,750
	<u>9,050</u>	<u>8,750</u>

**FEES PAYABLE TO THE GROUP'S AUDITOR AND ITS ASSOCIATES IN  
RESPECT OF:**

The auditing of accounts of associates of the Group pursuant to legislation	22,780	22,000
Other services relating to taxation	4,285	4,140
All other services	6,760	10,110
	<u>                    </u>	<u>                    </u>

# STEERPIKE LIMITED

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

### 8. EMPLOYEES

Staff costs, including directors' remuneration were as follows:

	2017 £	As restated 2016 £
Wages and salaries	3,610,679	2,898,591
Social security costs	247,725	190,903
Cost of defined contribution scheme	17,459	23,804
	<u>3,875,863</u>	<u>3,113,298</u>

The average monthly number of employees, including the directors, during the year was as follows:

	2017 No.	2016 No.
Artistic	4	4
Office and management	28	27
Agricultural and factory staff	66	56
	<u>98</u>	<u>87</u>

### 9. DIRECTORS' REMUNERATION

	2017 £	2016 £
Directors' emoluments	<u>484,193</u>	<u>442,237</u>

The highest paid director received remuneration of £168,000 (2016 - £168,000).

The value of the company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £NIL (2016 - £NIL).

### 10. INCOME FROM INVESTMENTS

	2017 £	2016 £
Income from current asset investments	<u>-</u>	<u>1,424</u>
Dividends received from unlisted investments	<u>43,858</u>	<u>246,555</u>

**STEERPIKE LIMITED**

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

**11. INTEREST RECEIVABLE**

	2017 £	2016 £
Other interest receivable	755,346	543,104
	<u>755,346</u>	<u>543,104</u>

**12. INTEREST PAYABLE AND SIMILAR EXPENSES**

	2017 £	2016 £
Bank interest payable	-	3
Other loan interest payable	38,059	32,925
Finance leases and hire purchase contracts	2,763	2,925
	<u>40,822</u>	<u>35,853</u>

**13. TAXATION**

	2017 £	2016 £
<b>CORPORATION TAX</b>		
Current tax on profits for the year	106,756	-
	<u>106,756</u>	<u>-</u>
<b>FOREIGN TAX</b>		
Foreign tax on income for the year	(462)	-
	<u>(462)</u>	<u>-</u>
<b>TOTAL CURRENT TAX</b>	<u>106,294</u>	<u>-</u>
<b>DEFERRED TAX</b>		
Origination and reversal of timing differences	(1,038,850)	-
<b>TOTAL DEFERRED TAX</b>	<u>(1,038,850)</u>	<u>-</u>
<b>TAXATION ON (LOSS)/PROFIT ON ORDINARY ACTIVITIES</b>	<u>(932,556)</u>	<u>-</u>

# STEERPIKE LIMITED

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

### 13. TAXATION (CONTINUED)

#### FACTORS AFFECTING TAX CHARGE FOR THE YEAR

The tax assessed for the year is lower than (2016 - higher than) the standard rate of corporation tax in the UK of 19.25% (2016 - 20%). The differences are explained below:

	2017 £	2016 £
Profit/(loss) on ordinary activities before tax	8,270,014	(1,181,423)
Profit/(loss) on ordinary activities multiplied by standard rate of corporation tax in the UK of 19.25% (2016 - 20%)	1,591,978	(236,285)
<b>EFFECTS OF:</b>		
Non-tax deductible amortisation of goodwill and impairment	76,972	-
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	679,213	59
Capital allowances for year in excess of depreciation	17,243	49,692
Utilisation of tax losses	(1,898,510)	(635,372)
Higher rate taxes on overseas earnings	(462)	-
Non-taxable income	(342,501)	-
Unrelieved tax losses carried forward	(17,771)	942,288
Other differences leading to an increase (decrease) in the tax charge	132	1,414
Group relief	-	(121,796)
Deferred tax	(1,038,850)	-
<b>TOTAL TAX CHARGE FOR THE YEAR</b>	<b>(932,556)</b>	<b>-</b>

#### FACTORS THAT MAY AFFECT FUTURE TAX CHARGES

The company has estimated losses of £3,942,867 (2016 as restated - £6,710,761) available for carry forward against future trading profits.



**STEERPIKE LIMITED**

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

**14. INTANGIBLE ASSETS**

**Group**

	Development £	Trademarks £	Computer software £	Goodwill £	Total £
<b>COST</b>					
At 1 January 2017	4,886,916	42,691	2,523	128,643	5,060,773
Additions	-	20,164	-	-	20,164
Disposals	(4,885,343)	-	-	-	(4,885,343)
Foreign exchange movement	-	1,696	285	-	1,981
At 31 December 2017	<u>1,573</u>	<u>64,551</u>	<u>2,808</u>	<u>128,643</u>	<u>197,575</u>
<b>AMORTISATION</b>					
At 1 January 2017	4,886,916	2,638	-	128,643	5,018,197
Charge for the year	-	3,740	-	-	3,740
On disposals	(4,885,343)	-	-	-	(4,885,343)
At 31 December 2017	<u>1,573</u>	<u>6,378</u>	<u>-</u>	<u>128,643</u>	<u>136,594</u>
<b>NET BOOK VALUE</b>					
At 31 December 2017	<u>-</u>	<u>58,173</u>	<u>2,808</u>	<u>-</u>	<u>60,981</u>
At 31 December 2016	<u>-</u>	<u>40,053</u>	<u>2,523</u>	<u>-</u>	<u>42,576</u>

**STEERPIKE LIMITED**

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

**15. TANGIBLE FIXED ASSETS**

**Group**

	Freehold property £	Leasehold property £	Fixtures and fittings £	Leasehold improvement £	Total £
<b>COST OR VALUATION</b>					
At 1 January 2017	154,001	2,273,230	4,231,747	70,986	6,729,964
Additions	-	84,292	182,965	-	267,257
Disposals	-	-	(26,288)	-	(26,288)
Exchange adjustments	-	79,272	33,052	-	112,324
At 31 December 2017	154,001	2,436,794	4,421,476	70,986	7,083,257
<b>DEPRECIATION</b>					
At 1 January 2017	116,142	1,623,993	3,411,763	53,247	5,205,145
Charge for the year on owned assets	7,700	264,599	308,478	12,752	593,529
Disposals	-	-	(16,572)	-	(16,572)
Exchange adjustments	-	60,633	12,331	-	72,964
At 31 December 2017	123,842	1,949,225	3,716,000	65,999	5,855,066
<b>NET BOOK VALUE</b>					
At 31 December 2017	30,159	487,569	705,476	4,987	1,228,191
At 31 December 2016	37,859	649,237	819,984	17,739	1,524,819

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	2017 £	2016 £
Plant and machinery	21,835	36,294
	<u>21,835</u>	<u>36,294</u>

**STEERPIKE LIMITED**

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

**15. TANGIBLE FIXED ASSETS (CONTINUED)**

**Company**

	Freehold property £	Leasehold property £	Fixtures and fittings £	Leasehold improvement £	Total £
<b>COST OR VALUATION</b>					
At 1 January 2017	154,001	4,960	2,478,792	70,986	2,708,739
Additions	-	-	7,255	-	7,255
At 31 December 2017	154,001	4,960	2,486,047	70,986	2,715,994
<b>DEPRECIATION</b>					
At 1 January 2017	116,142	4,960	2,466,100	53,247	2,640,449
Charge for the year on owned assets	7,700	-	17,606	12,752	38,058
At 31 December 2017	123,842	4,960	2,483,706	65,999	2,678,507
<b>NET BOOK VALUE</b>					
At 31 December 2017	30,159	-	2,341	4,987	37,487
At 31 December 2016	37,859	-	12,692	17,739	68,290

**STEERPIKE LIMITED**

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

**16. FIXED ASSET INVESTMENTS**

**Group**

	Unlisted investments £
<b>COST OR VALUATION</b>	
At 1 January 2017	2,988,634
Additions	10,434
Disposals	(10,000)
Foreign exchange movement	(68,349)
Revaluations	(324,019)
At 31 December 2017	<u>2,596,700</u>
<b>IMPAIRMENT</b>	
At 1 January 2017	<u>1,466,757</u>
At 31 December 2017	<u>1,466,757</u>
<b>NET BOOK VALUE</b>	
At 31 December 2017	<u><u>1,129,943</u></u>
At 31 December 2016	<u><u>1,521,877</u></u>

# STEERPIKE LIMITED

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

### 16. FIXED ASSET INVESTMENTS (CONTINUED)

#### Company

	Investments in subsidiary companies £	Unlisted investments £	Total £
<b>COST OR VALUATION</b>			
At 1 January 2017	242,599	2,783,356	3,025,955
Additions	8,000,002	10,434	8,010,436
Disposals	(101)	(10,000)	(10,101)
Foreign exchange movement	-	(75,834)	(75,834)
Revaluations	-	(324,019)	(324,019)
At 31 December 2017	8,242,500	2,383,937	10,626,437
<b>IMPAIRMENT</b>			
At 1 January 2017	8,174	1,466,757	1,474,931
Charge for the period	2	-	2
At 31 December 2017	8,176	1,466,757	1,474,933
<b>NET BOOK VALUE</b>			
At 31 December 2017	8,234,324	917,180	9,151,504
At 31 December 2016	234,425	1,316,599	1,551,024

In the opinion of the directors, the aggregate value of the company's investment in subsidiary undertakings is not less than the amount included in the balance sheet.

### 17. STOCKS

	Group 2017 £	Group 2016 £	Company 2017 £	Company 2016 £
Raw materials and consumables	246,401	304,468	-	-
Finished goods and goods for resale	863,993	673,328	-	-
	1,110,394	977,796	-	-

The difference between purchase price or production cost of stocks and their replacement cost is not material.

Stock recognised in cost of sales during the year as an expense was £2,679,431 (2016 - £2,158,489).

**STEERPIKE LIMITED**

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

**18. DEBTORS**

	Group 2017 £	Group As restated 2016 £	Company 2017 £	Company As restated 2016 £
<b>DUE AFTER MORE THAN ONE YEAR</b>				
Amounts owed by group undertakings	-	-	898,000	898,000
Other debtors	18,530,598	20,322,560	-	-
	<u>18,530,598</u>	<u>20,322,560</u>	<u>898,000</u>	<u>898,000</u>
	Group 2017 £	Group As restated 2016 £	Company 2017 £	Company As restated 2016 £
<b>DUE WITHIN ONE YEAR</b>				
Trade debtors	840,400	1,247,016	101,082	113,601
Amounts owed by group undertakings	-	-	4,375,092	10,303,196
Other debtors	1,574,435	1,696,018	50,535	34,668
Prepayments and accrued income	1,387,907	1,825,969	1,294,506	645,171
Deferred taxation	985,871	-	749,145	-
	<u>4,788,613</u>	<u>4,769,003</u>	<u>6,570,360</u>	<u>11,096,636</u>

Included within debtors due in after more than one year are interest bearing loan notes amounting to £18,530,598 (2015 - £20,322,560).

**19. CASH AND CASH EQUIVALENTS**

	Group 2017 £	Group 2016 £	Company 2017 £	Company 2016 £
Cash at bank and in hand	984,977	477,653	139,642	50,239
Less: bank overdrafts	-	(87,221)	-	-
	<u>984,977</u>	<u>390,432</u>	<u>139,642</u>	<u>50,239</u>

# STEERPIKE LIMITED

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

### 20. CREDITORS: Amounts falling due within one year

	Group	Group	Company	Company
	2017	As restated	2017	As restated
	£	2016	£	2016
		£		£
Bank overdrafts	-	87,221	-	-
Trade creditors	793,847	792,516	49,486	38,897
Amounts owed to group undertakings	-	-	16,263,111	17,161,296
Corporation tax	106,756	-	-	-
Other taxation and social security	676,108	267,468	49,456	128,405
Obligations under finance lease and hire purchase contracts	23,025	24,889	-	-
Other creditors	1,800,126	5,309,262	52,056	56,250
Accruals and deferred income	271,239	361,606	42,135	38,100
	<u>3,671,101</u>	<u>6,842,962</u>	<u>16,456,244</u>	<u>17,422,948</u>

Net obligations under finance leases and hire purchase contracts are secured on the assets to which the agreements relate.

The overdraft facility is secured by a debenture including a fixed and floating charge over all of the assets of a group company.

### 21. CREDITORS: Amounts falling due after more than one year

	Group	Group	Company	Company
	2017	As restated	2017	As restated
	£	2016	£	2016
		£		£
Net obligations under finance leases and hire purchase contracts	62,207	86,331	-	-
Other creditors	54,120,514	62,347,518	16,650,016	12,165,662
	<u>54,182,721</u>	<u>62,433,849</u>	<u>16,650,016</u>	<u>12,165,662</u>

Net obligations under finance leases and hire purchase contracts are secured on the assets to which the agreements relate.

The following balances are included within other creditors:

Loans owed to directors of £21,932,336 (2016 - £21,390,106). The loan is secured by a floating charge over the assets of the group and by the future assignment of all its rights in all ongoing projects. During the period all interest was waived on this loan and the balance of the unsecured element of the amounts due to directors.

A recoupable advance for the right to collect future royalties. In accordance with FRS102 £31,762,991 (2016 - £43,669,922) has been deferred and will be matched against royalties as they are earned.

# STEERPIKE LIMITED

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

### 22. HIRE PURCHASE AND FINANCE LEASES

Minimum lease payments under hire purchase fall due as follows:

	Group 2017 £	Group 2016 £
Within one year	23,025	24,889
Between 1-5 years	21,075	22,939
Over 5 years	41,132	63,392
	<u>85,232</u>	<u>111,220</u>

### 23. FINANCIAL INSTRUMENTS

	Group 2017 £	Group As restated 2016 £	Company 2017 £	Company As restated 2016 £
<b>FINANCIAL ASSETS</b>				
Financial assets measured at fair value through profit or loss	2,114,920	1,999,530	1,056,822	1,366,838
Financial assets that are debt instruments measured at amortised cost	21,004,113	25,090,859	6,678,564	11,993,933
Financial assets that are equity instruments measured at cost less impairment	-	-	-	-
	<u>23,119,033</u>	<u>27,090,389</u>	<u>7,735,386</u>	<u>13,360,771</u>

#### FINANCIAL LIABILITIES

Financial liabilities measured at amortised cost	<u>(56,965,186)</u>	<u>(69,115,158)</u>	<u>(34,502,444)</u>	<u>(33,521,114)</u>
--------------------------------------------------	---------------------	---------------------	---------------------	---------------------

Financial assets measured at fair value through profit or loss comprise listed investments, unlisted investments and cash and cash equivalents.

Financial assets measured at amortised cost comprise trade debtors, amounts owed by group undertakings, other debtors, accrued income and interest bearing loan notes.

Financial liabilities measured at amortised cost comprise trade creditors, amounts owed to group undertakings, HP obligations, accruals, loans owed to directors and recoupable advances.



# STEERPIKE LIMITED

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

### 24. DEFERRED TAXATION

#### Group

	2017 £	2016 £
At beginning of year	(52,979)	(52,979)
Charged to profit or loss	1,038,850	-
<b>AT END OF YEAR</b>	<b>985,871</b>	<b>(52,979)</b>

The deferred taxation balance is made up as follows:

	Group 2017 £	Group 2016 £	Company 2017 £
Accelerated capital allowances	(52,979)	(52,979)	-
Tax losses carried forward	1,038,850	-	749,145
	<b>985,871</b>	<b>(52,979)</b>	<b>749,145</b>

### 25. SHARE CAPITAL

	2017 £	2016 £
<b>Allotted, called up and fully paid</b>		
100 Ordinary shares of £1 each	100	100

### 26. RESERVES

#### Revaluation reserve

The revaluation reserve represents gains and losses arising from the revaluation of a short-term leasehold property.

#### Other reserves

Other reserves comprises capital contributions made to the group.

#### Profit and loss account

The Profit and Loss account represents cumulative profits and losses net of dividends, foreign exchange movements and other adjustments.

# STEERPIKE LIMITED

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

### 27. PRIOR YEAR ADJUSTMENT

The prior year adjustment corrects the allocation of costs between group companies in relation to a third party loan balance thereby reducing expenditure of the Company by £3,932,504 for year ended 31 December 2016. The reallocation for previous years results in reduced expenditure of £2,424,622 for the Company. These adjustments increase brought forward reserves of the Company as at 1 January 2016 to (£17,181,800) and as at 1 January 2017 to (£15,924,525) and reduce creditors due in more than one year by £6,357,126 as at 31 December 2016.

The loan balance itself had also been reallocated between the company and a subsidiary company. A further prior year adjustment increased amounts owed to group undertakings and decreased creditors falling due in more than one year by £12,374,628 as at 31 December 2016.

The adjustments have no impact on the consolidated figures.

### 28. PENSION COMMITMENTS

The group operated one defined contribution pension scheme during the period for one of its former directors. The assets of the plan are held separately from the group in independently administered funds.

The pension cost charge represents contributions payable by the group to the fund and amounted to £13,912 (2016 - £11,804). Contributions totalling £NIL (2016 - £NIL) were payable to the fund at the balance sheet date.

### 29. COMMITMENTS UNDER OPERATING LEASES

At 31 December 2017 the Group and the Company had future minimum lease payments under non-cancellable operating leases as follows:

	Group 2017 £	Group 2016 £	Company 2017 £	Company 2016 £
<b>Land and Buildings</b>				
Not later than 1 year	83,000	83,000	83,000	83,000
Later than 1 year and not later than 5 years	332,000	332,000	332,000	332,000
Later than 5 years	73,682	156,682	73,682	156,682
	<u>488,682</u>	<u>571,682</u>	<u>488,682</u>	<u>571,682</u>
			Group 2017 £	Group 2016 £
<b>Other</b>				
Not later than 1 year			9,399	9,399
Between 2 and 5 years			9,399	18,798
Later than 5 years			-	-
			<u>-</u>	<u>-</u>

## STEERPIKE LIMITED

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

#### 30. COMMITMENTS UNDER OPERATING LEASES - LESSOR

At 31 December 2017 the Group and the Company had future minimum lease receipts under non-cancellable operating leases as follows:

	Group 2017 £	Group 2016 £	Company 2017 £	Company 2016 £
<b>Land and Buildings</b>				
Not later than 1 year	30,000	36,000	30,000	36,000
Between 2 and 5 years	-	30,000	-	30,000
Later than 5 years	-	-	-	-
	<u>30,000</u>	<u>66,000</u>	<u>30,000</u>	<u>66,000</u>

#### 31. CONTROLLING PARTY

The company's ultimate controlling party through the current and previous year is considered to be G M Sumner, a director and the majority shareholder of Steerpike Limited.

#### 32. RELATED PARTY TRANSACTIONS

The company has taken advantage of the exemption available under FRS102 section 33.1A for non-disclosure of transactions with wholly owned group companies.

As at 31 December 2017 the company was owed £934,893 (2016 - £941,542) by one of its non-wholly owned subsidiaries. This decrease of the loan balance in the year consists of a repayment of interest on the loan.

As at 31 December 2017 the company was owed £45,264 (2016 - £24,575) in respect of recording royalties by a company under common directorship and ownership of the group ultimate controlling party.

As at 31 December 2017, the company owed £16,159,391 (2016 - £17,049,275) to one of its non-wholly owned subsidiaries. The overall increase of the loan balance in the year consists of further loan advances less recording royalties due to the company.

As at 31 December 2017, the company was owed £815,619 (2016 - £8,031 owed to ) by one of its non-wholly owned subsidiaries. The increase of the loan balance relates to an election made to transfer outstanding director loan account balances to Steerpike Limited.

During the year a group company received income totalling £315,733 (2016 - £NIL) and incurred associated expenditure totalling £289,359 (2016 - £NIL) from a related party in respect of an event held on the premises of the company. No amounts were outstanding at the year end.

##### **Director loans**

As at 31 December 2017 a director was owed £21,932,336 (2016 - £21,390,016) from group companies. No interest is being charged on the balances.

The only Key Management Personnel are deemed to be the directors and details of these emoluments can be found in Note 8.

## STEERPIKE LIMITED

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

#### 33. SUBSIDIARY UNDERTAKINGS

The following were subsidiary undertakings of the Company:

<b>Name</b>	<b>Class of shares</b>	<b>Holding</b>	<b>Principal activity</b>
Steerpike (Overseas) Limited	Ordinary	99 %	Management of artists' services
Magnetic Publishing Limited	Ordinary	100 %	Collection and distribution of royalties
Xingu Films Limited*	Ordinary	100 %	Film production
Alpha Male Films Limited	Ordinary	50 %	Film production
Il Palagio Limited*	Ordinary	100 %	Purchase and sale of wine
Red House Foods Limited	Redeemable preference	62 %	Food production
Tenuta Il Palagio SRL	Ordinary	100 %	Agricultural production
Semplice Toscana SRL	Ordinary	100 %	Provision of property related services
Steerpike Inc	Ordinary	100 %	Management of artists' services

All subsidiaries listed above have been included in the consolidation.

The companies above marked with an asterix (\*) have taken advantage of the exemption from audit under the provisions of section 479A of the Companies Act 2006 ("the Act"), and the members of those companies have not required the company to obtain an audit for the years in question in accordance with section 476 of the Act.

During the year the following former group companies were liquidated:

Cheeky Films Limited  
Yoga Play Limited

<b>Name</b>	<b>Registered office</b>
Steerpike (Overseas) Limited	Tower Bridge House, St Katharine's Way, London, E1W 1DD
Magnetic Publishing Limited	Tower Bridge House, St Katharine's Way, London, E1W 1DD
Xingu Films Limited	Tower Bridge House, St Katharine's Way, London, E1W 1DD
Alpha Male Films Limited	Tower Bridge House, St Katharine's Way, London, E1W 1DD
Il Palagio Limited	Tower Bridge House, St Katharine's Way, London, E1W 1DD
Red House Foods Limited	Tower Bridge House, St Katharine's Way, London, E1W 1DD
Tenuta Il Palagio SRL	Francesco Corteccia, 28/1 - 50127 - Firenze
Semplice Toscana SRL	Francesco Corteccia, 28/1 - 50127 - Firenze
Steerpike Inc	c/o RZO, 250 West 57th Street, New York, New York 10107, USA