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**MICHAEL STOUTE LIMITED**

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**UNAUDITED**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2017**

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COMPANIES HOUSE

**MICHAEL STOUTE LIMITED**  
**REGISTERED NUMBER: 01274171**

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

	Note	2017 £	2016 £
<b>FIXED ASSETS</b>			
Tangible assets	3	525,225	548,477
Investments	4	1,269,983	749,500
		<u>1,795,208</u>	<u>1,297,977</u>
<b>CURRENT ASSETS</b>			
Stocks	5	14,681	13,904
Debtors: amounts falling due within one year	6	811,058	784,575
Current asset investments	7	450,000	450,000
Cash at bank and in hand	8	1,728,319	1,584,444
		<u>3,004,058</u>	<u>2,832,923</u>
Creditors: amounts falling due within one year	9	(1,045,098)	(1,018,732)
<b>NET CURRENT ASSETS</b>		<u>1,958,960</u>	<u>1,814,191</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>3,754,168</u>	<u>3,112,168</u>
<b>NET ASSETS</b>		<u><u>3,754,168</u></u>	<u><u>3,112,168</u></u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital		250	250
Capital redemption reserve		250	250
Profit and loss account		3,753,668	3,111,668
		<u>3,754,168</u>	<u>3,112,168</u>

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**MICHAEL STOUTE LIMITED**  
**REGISTERED NUMBER: 01274171**

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

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The Director considers that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

The Director acknowledges his responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

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

The Company has opted not to file the statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 23 April 2018.



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**Sir M.R. Stoute**  
Director

The notes on pages 3 to 9 form part of these financial statements.

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## MICHAEL STOUTE LIMITED

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

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#### 1. GENERAL INFORMATION

Michael Stoute Limited is a private company limited by shares and incorporated in England. Its registered office is Freemason Lodge, Bury Road, Newmarket, Suffolk, CB8 7BY.

The financial statements are presented in Sterling, which is the functional currency of the company.

#### 2. ACCOUNTING POLICIES

##### 2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

##### 2.2 Revenue

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

##### Rendering of services

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

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

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## MICHAEL STOUTE LIMITED

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

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## 2. ACCOUNTING POLICIES (CONTINUED)

### 2.3 Tangible fixed assets

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

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using a combination of straight line and reducing balance methods as follows.

Depreciation is provided on the following basis:

Freehold buildings	- 2.5% Straight Line
Motor vehicles	- 25% Reducing balance
Fixtures, fittings and stable equipment	- 20% Reducing balance
Office equipment	- 20% 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 Statement of comprehensive income.

### 2.4 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

### 2.5 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

### 2.6 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

### 2.7 Financial instruments

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

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## MICHAEL STOUTE LIMITED

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

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## 2. ACCOUNTING POLICIES (CONTINUED)

### 2.7 Financial instruments (continued)

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

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the balance sheet date.

### 2.8 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

### 2.9 Foreign currency translation

#### Functional and presentation currency

The Company's functional and presentational currency is GBP.

#### Transactions and balances

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

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

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of comprehensive income except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of comprehensive income within 'finance income or costs'. All other foreign exchange gains and losses are presented in the Statement of comprehensive income within 'other operating income'.

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## MICHAEL STOUTE LIMITED

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

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## 2. ACCOUNTING POLICIES (CONTINUED)

### 2.10 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting. Dividends on shares recognised as liabilities are recognised as expenses and classified within interest payable.

### 2.11 Pensions

#### Defined contribution pension plan

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

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

### 2.12 Interest income

Interest income is recognised in the Statement of comprehensive income using the effective interest method.

### 2.13 Taxation

Tax is recognised in the Statement of comprehensive income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

**MICHAEL STOUTE LIMITED**

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

**3. TANGIBLE FIXED ASSETS**

	Freehold property £	Motor vehicles £	Fixtures and fittings £	Office equipment £	Total £
<b>COST OR VALUATION</b>					
At 1 January 2017	653,688	218,078	318,992	62,832	1,253,590
Additions	-	-	10,102	913	11,015
At 31 December 2017	653,688	218,078	329,094	63,745	1,264,605
<b>DEPRECIATION</b>					
At 1 January 2017	208,786	154,530	281,552	60,245	705,113
Charge for the year on owned assets	8,171	15,887	9,509	700	34,267
At 31 December 2017	216,957	170,417	291,061	60,945	739,380
<b>NET BOOK VALUE</b>					
At 31 December 2017	436,731	47,661	38,033	2,800	525,225
At 31 December 2016	444,902	63,548	37,440	2,587	548,477

**4. FIXED ASSET INVESTMENTS**

	Unlisted investments £
<b>COST OR VALUATION</b>	
At 1 January 2017	749,500
Additions	520,483
At 31 December 2017	1,269,983
<b>NET BOOK VALUE</b>	
At 31 December 2017	1,269,983
At 31 December 2016	749,500



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MICHAEL STOUTE LIMITED

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

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5. STOCKS

	2017 £	2016 £
Stock	14,681	13,904
	<u>14,681</u>	<u>13,904</u>

6. DEBTORS

	2017 £	2016 £
Trade debtors	770,377	736,271
Other debtors	5,661	5,063
Prepayments and accrued income	35,020	43,242
	<u>811,058</u>	<u>784,576</u>

7. CURRENT ASSET INVESTMENTS

	2017 £	2016 £
Listed investments	450,000	450,000
	<u>450,000</u>	<u>450,000</u>

The market value of listed investments at 31 December 2017 was £640,031 (2016: £614,918)

8. CASH AND CASH EQUIVALENTS

	2017 £	2016 £
Cash at bank and in hand	1,728,319	1,584,444
	<u>1,728,319</u>	<u>1,584,444</u>

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**MICHAEL STOUTE LIMITED**

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

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**9. CREDITORS: Amounts falling due within one year**

	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Trade creditors	<b>90,827</b>	<b>127,816</b>
Corporation tax	<b>159,904</b>	<b>122,594</b>
Taxation and social security	<b>255,525</b>	<b>217,759</b>
Other creditors	<b>468,657</b>	<b>427,970</b>
Accruals and deferred income	<b>70,185</b>	<b>122,593</b>
	<b>1,045,098</b>	<b>1,018,732</b>

**10. FINANCIAL INSTRUMENTS**

	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
<b>FINANCIAL ASSETS</b>		
Financial assets that are debt instruments measured at amortised cost	<b>4,259,361</b>	<b>3,568,518</b>
	<b>4,259,361</b>	<b>3,568,518</b>
<b>FINANCIAL LIABILITIES</b>		
Financial liabilities measured at amortised cost	<b>(257,620)</b>	<b>(256,691)</b>
	<b>(257,620)</b>	<b>(256,691)</b>

Financial assets measured at amortised cost comprise of investments, cash, trade and other debtors.

Financial liabilities measured at amortised cost comprise of trade and other creditors.