

# **Master Investor Limited**

**Financial Statements**

**Year Ended**

**31 December 2017**

***Company Registration Number 08790989***

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# Master Investor Limited

## Financial Statements

Year Ended 31 December 2017

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# Master Investor Limited

## Officers and Professional Advisers

### The Board of Directors

D H N Eke

### Registered Office

Suite 88  
22 Notting Hill Gate  
London  
England  
W11 3JE

### Auditor

KPMG Audit LLC  
Chartered Accountants  
& Statutory Auditor  
Heritage Court  
41 Athol Street  
Douglas  
Isle of Man  
IM99 1HN

# Master Investor Limited

## Directors' Report Year Ended 31 December 2017

The Director presents their report and financial statements of the Company for the year ended 31 December 2017.

### Principal Activities

The principal activities of the Company during the year were the provision of commissioned research and the organisation of conferences.

### Directors

The Directors during the year and up to the date of this Report were:

Denham Hervey Newall Eke

Swen Lorenz

Resigned 31 January 2018

### Small Company Provisions

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

### Auditor

KPMG Audit LLC, is the auditor of the Company, and being eligible, has indicated its willingness to continue in office in accordance with Section 487(2) of the Companies Act 2006.

### Statement of directors' responsibilities in respect of the Directors' Report and the financial statements

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 they have elected to prepare the financial statements in accordance with applicable law and Section 1A of FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (UK Generally Accepted Accounting Practice applicable to Smaller Entities).

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 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 estimates that are reasonable and prudent; and
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

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 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, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

Signed on behalf of the Board

Denham Hervey Newall Eke

Director

Approved by the Director on 30 August 2018

**Independent Auditor's Report to the Member of  
Master Investor Limited  
Year Ended 31 December 2017**

**Opinion**

We have audited the financial statements of Master Investor Limited ("the company") for the year ended 31 December 2017, which comprise the Profit and Loss Account, the Balance Sheet and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2017 and of its loss for the year then ended;
- have been properly prepared in accordance with UK accounting standards applicable to smaller entities, including Section 1A of FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; 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 are described below. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

**Material uncertainty related to going concern**

We draw attention to note 1 to the financial statements which indicates that the company incurred a net loss of £768,538 for the year ended 31 December 2017 and at that date had net current liabilities of £2,485,631 and the Company's ability to continue as a going concern is dependent on continued financial support from a related party. These events and conditions, along with the other matters explained in note 1, constitute a material uncertainty that may cast significant doubt on the company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

**Directors' report**

The directors are responsible for the directors' report. Our opinion on the financial statements does not cover that report and we do not express an audit opinion thereon.

Our responsibility is to read the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the directors' report;
- in our opinion the information given in that report for the financial year is consistent with the financial statements; and
- in our opinion that report has been prepared in accordance with the Companies Act 2006.

**Matters on which we are required to report by exception**

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

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

**Independent Auditor's Report to the Member of  
Master Investor Limited (continued)  
Year Ended 31 December 2017**

- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the directors' report take advantage of the small companies exemption from the requirement to prepare a strategic report.

We have nothing to report these respects.

**Directors' responsibilities**

As explained more fully in their statement set out on page 2, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; 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; 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 they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

**Auditor's responsibilities**

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities).

**The purpose of our audit work and to whom we owe our responsibilities**

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



**13 September 2018**

**Mark Kelly (Senior Statutory Auditor)**

**for and on behalf of KPMG Audit LLC, Statutory Auditor**

*Chartered Accountants*

Heritage Court

41 Athol Street

Douglas

Isle of Man

# Master Investor Limited

## Profit and Loss Account

Year Ended 31 December 2017

	Notes	2017 £	2016 £
Turnover	2	349,260	410,149
Cost of sales		(535,442)	(548,097)
<b>Gross Profit</b>		<b>(186,182)</b>	<b>(137,948)</b>
Administrative expenses		(582,356)	(445,831)
<b>Operating Loss</b>	3	<b>(768,538)</b>	<b>(583,779)</b>
Interest payable on similar charges	6	-	(1)
<b>Loss on Ordinary Activities Before Taxation</b>		<b>(768,538)</b>	<b>(583,780)</b>
Tax on ordinary activities	7	-	-
<b>Loss for the year ended</b>		<b>(768,538)</b>	<b>(583,780)</b>

All of the activities of the Company are classed as continuing.

The Company has no recognised gains or losses other than the results for the year as set out above.

# Master Investor Limited

## Balance Sheet

31 December 2017

	Note	2017 £	2016 £
<b>Fixed Assets</b>			
Intangible fixed assets	8	20,168	38,612
Tangible fixed assets	9	7,781	2,537
		<u>27,949</u>	<u>41,149</u>
<b>Current Assets</b>			
Debtors	10	337,121	251,976
Cash at bank		397	408
		<u>337,518</u>	<u>252,384</u>
<b>Creditors: Amounts Falling Due Within One Year</b>	11	<u>(2,823,149)</u>	<u>(1,982,677)</u>
<b>Net Current Liabilities</b>		<u>(2,485,631)</u>	<u>(1,730,293)</u>
<b>Total Assets Less Current Liabilities and Net Liabilities</b>		<u>(2,457,682)</u>	<u>(1,689,144)</u>
<b>Capital and Reserves</b>			
Called-up equity share capital	13	1	1
Profit and loss account		<u>(2,457,683)</u>	<u>(1,689,145)</u>
<b>Shareholder's Deficit</b>		<u>(2,457,682)</u>	<u>(1,689,144)</u>

These Financial Statements have been prepared in accordance with the special provisions in part 15 of Companies Act 2006 relating to small companies and in accordance with the Financial Reporting Standards applicable in the United Kingdom, including Financial Reporting Standard 102, Section 1A: Small Entities.

These Financial Statements were approved by the Director and authorised for issue on 30 August 2018, and are signed by:

*Denham Hervey Newall Eke*

**Denham Hervey Newall Eke**

**Director**



# Master Investor Limited

## Notes to the Financial Statements

Year Ended 31 December 2017

### 1. Accounting Policies

#### Basis of Accounting

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standards applicable in the United Kingdom, including Financial Reporting Standard 102 ("FRS102"), Section 1A: Small Entities. The amendments to FRS 102 issued in July 2015 and effective immediately have been applied.

#### Going Concern

The Company incurred a net loss of £768,538 for the year ended 31 December 2017 and at that date had net current liabilities of £2,485,631. The Company is dependent for its working capital on funds provided to it by Burnbrae Limited ("Burnbrae"), a related party.

The Director has concluded that this represents a material uncertainty that casts significant doubt upon the Company's ability to continue as a going concern and that, therefore, the Company may be unable to continue realising its assets and discharging its liabilities in the normal course of business. However, were the Company to require further funding, Burnbrae has notified the Company Director that it intends to offer additional support for 12 months from the date of signing this report should the need arise and this enables the Director to conclude that it remains appropriate to prepare the financial statements on a going concern basis. The financial statements do not include any adjustments that would result if the Company was unable to continue as a going concern.

#### Turnover

Turnover represents the total value of sales made during the year, excluding Value Added Tax. Subscriptions receivable are credited to the profit and loss account evenly over the subscription term. Conference income is recognised at the time of the relevant event. Research and advertising income are recognised as services and are provided over the course of the contractual term.

#### Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Office equipment - 33% straight line

#### Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Intellectual Property - 20% straight line  
Goodwill - 20% straight line

# Master Investor Limited

## Notes to the Financial Statements (continued)

Year Ended 31 December 2017

### 1. Accounting Policies (continued)

#### Deferred Taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax, with the following exceptions:

Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made, where on the basis of all available evidence at balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold.

Deferred tax assets are recognised only to the extent that the Director considers that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

### 2. Turnover

Turnover is attributable to the principal activities of the Company, arising solely in the United Kingdom. An analysis of turnover and profit before taxation between each major class of business has not been provided. In the opinion of the Directors it would be seriously prejudicial to the interest of the Company to disclose any segmental information.

### 3. Operating Loss

Operating loss is stated after charging	2017	2016
	£	£
Amortisation of intangible assets	18,444	18,494
Depreciation of tangible assets	1,796	351
Auditor's remuneration	3,500	3,700

# Master Investor Limited

## Notes to the Financial Statements (continued)

Year Ended 31 December 2017

### 4. Particulars of Employees

The average number of staff employed by the Company during the financial year amounted to:

	2017 No.	2016 No.
Number of staff	<u>6</u>	<u>3</u>
The aggregate payroll costs of the above were	2017 £	2016 £
Wages and salaries	208,903	129,830
Social security costs	25,925	14,372
Pension costs	3,684	2,892
	<u>238,512</u>	<u>147,094</u>

### 5. Directors' Remuneration

The Directors' aggregate remuneration in respect of qualifying services were:

	2017 £	2016 £
Remuneration	<u>135,000</u>	<u>135,000</u>

### 6. Interest Payable and Similar Charges

	2017 £	2016 £
Bank interest payable	<u>-</u>	<u>1</u>

# Master Investor Limited

## Notes to the Financial Statements (continued)

Year Ended 31 December 2017

### 7. Taxation on Ordinary Activities

#### (a) Analysis of charge in the year

No liability to UK Corporation Tax arises on the results for the current year.

#### (b) Factors affecting tax charge for the year

	2017 £	2016 £
Loss on ordinary activities before tax	<u>(768,538)</u>	<u>(583,780)</u>
Loss on ordinary activities multiplied by rate of corporation tax:		
Tax at 19.25% (2016: 20%)	(147,944)	(116,756)
Effects of:		
Non-deductible expenses	280	381
Depreciation in excess of capital allowances	3,896	70
Unrelieved tax losses	<u>143,768</u>	<u>116,305</u>
Current tax charge per accounts	<u>-</u>	<u>-</u>

#### (c) Factors that may affect future tax charges

At 31 December 2017 the Company had Corporation Tax losses available for relief against future trading profits of £2,222,688 (2016: £1,475,847).

# Master Investor Limited

## Notes to the Financial Statements (continued)

Year Ended 31 December 2017

### 8. Intangible Fixed Assets

	Goodwill £	Intellectual Property £	Total £
<b>Cost</b>			
As at 1 January 2017	60,852	31,418	92,270
<b>As at 31 December 2017</b>	<b><u>60,852</u></b>	<b><u>31,418</u></b>	<b><u>92,270</u></b>
<b>Amortisation</b>			
As at 1 January 2017	36,491	17,167	53,658
Charges	12,164	6,280	18,444
<b>As at 31 December 2017</b>	<b><u>48,655</u></b>	<b><u>23,447</u></b>	<b><u>72,102</u></b>
<b>Net Book Value</b>			
<b>As at 31 December 2017</b>	<b><u>12,197</u></b>	<b><u>7,971</u></b>	<b><u>20,168</u></b>
As at 31 December 2016	<u>24,361</u>	<u>14,251</u>	<u>38,612</u>

### 9. Tangible Fixed Assets

	Office Equipment £	Total £
<b>Cost</b>		
As at 1 January 2017	3,214	3,214
Additions	7,040	7,040
<b>As at 31 December 2017</b>	<b><u>10,254</u></b>	<b><u>10,254</u></b>
<b>Depreciation</b>		
As at 1 January 2017	677	677
Charge	1,796	1,796
<b>As at 31 December 2017</b>	<b><u>2,473</u></b>	<b><u>2,473</u></b>
<b>Net Book Value</b>		
<b>As at 31 December 2017</b>	<b><u>7,781</u></b>	<b><u>7,781</u></b>
As at 31 December 2016	<u>2,537</u>	<u>2,537</u>

# Master Investor Limited

## Notes to the Financial Statements (continued)

Year Ended 31 December 2017

### 10. Debtors

	2017 £	2016 £
Trade debtors	118,082	66,873
Amounts owed by related parties	158,200	153,901
Other debtors	600	600
Prepayments and accrued income	60,239	30,602
	<u>337,121</u>	<u>251,976</u>

Amounts owed by related parties are interest free, unsecured and repayable on demand.

### 11. Creditors: Amounts Falling due Within One Year

	2017 £	2016 £
Trade creditors	66,041	17,181
Amounts owed to related parties	2,595,362	1,849,812
Other creditors	9,184	12,556
Other taxation	9,579	5,754
Accruals and deferred income	142,983	97,374
	<u>2,823,149</u>	<u>1,982,677</u>

Amounts owed to related parties are interest free, unsecured and repayable on demand. However, the related parties have informed the Directors that the amounts will not be recalled unless the Company has the required resources to cover the amounts.

### 12. Related Party Transactions

#### Parent and ultimate controlling party

The Company's immediate parent Company is Burnbrae Media Holdings Limited, a Company registered in the British Virgin Islands.

The Director considers the ultimate controlling party to be Burnbrae Group Limited. Burnbrae Group Limited is incorporated in the British Virgin Islands and is wholly owned by Mr Jim Mellon.

The Director consider that all related party transactions have been conducted at arms-length.

# Master Investor Limited

## Notes to the Financial Statements (continued)

Year Ended 31 December 2017

### 13. Share Capital

	2017	2016
	£	£
<i>Authorised share capital</i>		
1 ordinary share of £1 each	1	1
	<u>          </u>	<u>          </u>
<i>Issued share capital</i>		
1 ordinary share of £1 each, allotted, issued or fully paid.	1	1
	<u>          </u>	<u>          </u>