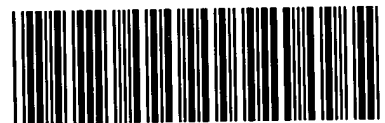


Registered number: 06650439

**STESSA TRADING LIMITED**  
**AUDITED**  
**ANNUAL REPORT**  
**AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED**  
**31 DECEMBER 2022**

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COMPANIES HOUSE

## **STESSA TRADING LIMITED**

### **COMPANY INFORMATION**

|                             |   |
|-----------------------------|---|
| <b>Directors</b>            | Marc Gilbard<br>Charles Ferguson-Davie<br>Jane Hollinshead  |
| <b>Company secretary</b>    | Steven Hall   |
| <b>Registered number</b>    | 06650439  |
| <b>Registered office</b>    | Moorfield Group<br>10 Grosvenor Street<br>London<br>W1K 4QB   |
| <b>Independent auditors</b> | Wellden Turnbull Limited<br>Chartered Accountants & Statutory Auditors<br>Albany House<br>Claremont Lane<br>Esher<br>Surrey<br>KT10 9FQ |
| <b>Bankers</b>              | Lloyds Banking Group Plc<br>London Chief Office<br>PO Box 54873<br>London<br>SW1Y 5WX   |

## **STESSA TRADING LIMITED**

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## STESSA TRADING LIMITED

### GROUP STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

#### Introduction

The Directors present their Strategic Report for Stessa Trading Limited and its subsidiaries ("the Group") for the year ended 31 December 2022.

#### Business review

In 2022, the Group generated turnover of £5,911,000 (2021 - £6,945,000) and generated a profit after tax of £340,000 (2021 loss - £649,000).

The Group manages real estate and real estate-related investments on behalf of the Moorfield Real Estate Fund Limited Partnerships ("MREF III", "MREF IV" and "MREF V") and the Moorfield Audley Real Estate Fund Limited Partnership ("MAREF").

#### Principal risks and uncertainties

Risks and uncertainties are managed by the Group, as outlined below.

The following are the Group's principal risks and the ways in which the Directors manage and control these risks:

- The Group is indirectly affected by the risk of a general downturn in the international economy and in the real estate market, negatively impacting on eventual returns. The Group mitigates this risk by its employment of experienced individuals and its investment appraisal process.
- The inability to generate sufficient fund and asset management fees to cover the Group's overheads. The Group's cost base at times is greater than fund and asset management fees due to the cyclical nature of income. The Company mitigates this risk by ensuring sufficient cash reserves are maintained at all times.

#### Financial key performance indicators

Performance is managed and measured on a Group wide basis.

Key performance indicators relate to the level of fund and asset management fees generated compared to the cost base of the business. The level of fees generated will depend on the funds under management.

#### Other key performance indicators

The Directors do not consider that there are any other key performance indicators.

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

*Charles Ferguson-Davie*

Charles Ferguson-Davie (Signed 28 Sep 2023,  
10:24am)  
Director

Date: 28 Sep 2023

## **STESSA TRADING LIMITED**

### **DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022**

The Directors present their report and the financial statements for the year ended 31 December 2022.

#### **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 judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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.

#### **Results and dividends**

The profit for the year, after taxation, amounted to £340,000 (2021 - loss £649,000).

No dividends were declared or paid in the current or prior year.

#### **Directors**

The Directors who served during the year were:

Marc Gilbard  
Charles Ferguson-Davie  
Jane Hollinshead

#### **Future developments**

The Directors do not anticipate any changes to the present level of activity or to the nature of the Group's business in the near future.

#### **Financial instruments**

The Group's operations expose it to a variety of financial risks including liquidity risk and credit risk. The Group's principal financial instruments arise directly from its operations and are set out in note 18.

Disclosure of financial risk management is not considered necessary as it is not considered to be material for the assessment of the Group's assets, liabilities, financial position and profit or loss.

**STESSA TRADING LIMITED**

**DIRECTORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2022**

**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.

**Auditors**

The auditors, Wellden Turnbull Limited, 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.

*Charles Ferguson-Davie*

Charles Ferguson-Davie (Sep 28, 2023,

**Charles Ferguson-Davie**  
Director

Date: 28 Sep 2023

## **STESSA TRADING LIMITED**

### **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF STESSA TRADING LIMITED**

#### **Opinion**

We have audited the financial statements of Stessa Trading Limited (the 'parent Company') and its subsidiaries (the 'Group') for the year ended 31 December 2022, which comprise the Consolidated Statement of Comprehensive Income, the Consolidated Balance Sheet, the Company Balance Sheet, the Consolidated Statement of Cash Flows, the Consolidated Statement of Changes in Equity, the 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 2022 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**

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's or the parent Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.

## **STESSA TRADING LIMITED**

### **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF STESSA TRADING LIMITED (CONTINUED)**

#### **Other information**

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The Directors are responsible for the other information contained within the Annual Report. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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 the 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 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, 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.



## STESSA TRADING LIMITED

### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF STESSA TRADING 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 Group financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. We have identified the greatest risk of a material impact on the financial statements from irregularities, including fraud, to relate to the timing and recognition of revenue and the override of controls by management. We have obtained an understanding of the legal and regulatory frameworks that the Group and Company operates within including both those that directly have an impact on the financial statements and more widely those for which non-compliance could have a significant impact on the Group's operations and reputation. The Companies Act 2006, employee legislation and data protection are those we have identified in this regard. Auditing standards limit the required procedures as to non-compliance with laws and regulations to enquiries of those charged with governance and review of any applicable correspondence.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- Enquiry of management and those charged with governance as to actual and potential litigation and claims;
- Enquiry of management to identify any instances of non-compliance with laws and regulations;
- Assessing the reasonableness of revenue recognised in the period based on underlying contractual terms and obligations and the requirements of accounting standards, ensuring that revenue is recorded in the correct period;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations and accounting standards; and
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business, and reviewing accounting estimates for bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

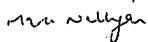
A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditors' Report.

## STESSA TRADING LIMITED

### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF STESSA TRADING LIMITED (CONTINUED)

#### 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.



Mark Nelligan (Sep 28, 2023, 10:54am)

Mark Nelligan FCA (Senior Statutory Auditor)

for and on behalf of

**Wellden Turnbull Limited**

Chartered Accountants

Statutory Auditors

Albany House  
Claremont Lane  
Esher  
Surrey  
KT10 9FQ

Date: 28 Sep 2023

**STESSA TRADING LIMITED**

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2022**

|  | Note | 2022<br>£000      | 2021<br>£000        |
|--|------|-------------------|---------------------|
| Turnover   | 4    | 5,911             | 6,945               |
| <b>Gross profit</b>                                    |      | <u>5,911</u>      | <u>6,945</u>        |
| Administrative expenses                                |      | (7,756)           | (7,269)             |
| <b>Operating loss</b>                                  | 5    | <u>(1,845)</u>    | <u>(324)</u>        |
| Income from fixed assets investments                   | 9    | 2,077             | 117                 |
| Amounts written off investments                        |      | -                 | (325)               |
| Interest receivable and similar income                 | 10   | 48                | 5                   |
| <b>Profit/(loss) before taxation</b>                   |      | <u>280</u>        | <u>(527)</u>        |
| Tax on profit/(loss)                                   | 11   | 60                | (122)               |
| <b>Profit/(loss) for the financial year</b>            |      | <u><u>340</u></u> | <u><u>(649)</u></u> |
| <br><b>Profit/(loss) for the year attributable to:</b> |      |                   |                     |
| Owners of the parent Company                           |      | 340               | (649)               |
|  |      | <u><u>340</u></u> | <u><u>(649)</u></u> |

There were no recognised gains and losses for 2022 or 2021 other than those included in the consolidated statement of comprehensive income.

The notes on pages 16 to 37 form part of these financial statements.

**STESSA TRADING LIMITED**  
**REGISTERED NUMBER: 06650439**

**CONSOLIDATED BALANCE SHEET**  
**AS AT 31 DECEMBER 2022**

|  | Note | 2022<br>£000         | 2021<br>£000         |
|--|------|----------------------|----------------------|
| <b>Fixed assets</b>  |      |                      |                      |
| Tangible assets  | 12   | 351                  | 448                  |
| Investments  | 13   | 6,958                | 5,480                |
| Investment property  | 14   | 134                  | 134                  |
|  |      | <u>7,443</u>         | <u>6,062</u>         |
| <b>Current assets</b>                                      |      |                      |                      |
| Debtors: amounts falling due after more than one year      | 15   | 2,458                | 2,021                |
| Debtors: amounts falling due within one year               | 15   | 7,617                | 4,972                |
| Cash at bank and in hand                                   | 16   | 11,190               | 14,946               |
|  |      | <u>21,265</u>        | <u>21,939</u>        |
| Creditors: amounts falling due within one year             | 17   | (2,509)              | (2,076)              |
|  |      | <u>18,756</u>        | <u>19,863</u>        |
| <b>Net current assets</b>                                  |      | <u>18,756</u>        | <u>19,863</u>        |
| <b>Total assets less current liabilities</b>               |      | <u>26,199</u>        | <u>25,925</u>        |
| <b>Provisions for liabilities</b>                          |      |                      |                      |
| Deferred taxation  | 19   | (49)                 | (115)                |
|  |      | <u>(49)</u>          | <u>(115)</u>         |
| <b>Net assets</b>  |      | <u><u>26,150</u></u> | <u><u>25,810</u></u> |
| <b>Capital and reserves</b>                                |      |                      |                      |
| Called up share capital                                    | 20   | 153                  | 153                  |
| Share premium account                                      | 21   | 533                  | 533                  |
| Investment in own shares                                   | 21   | (2,292)              | (2,292)              |
| Capital redemption reserve                                 | 21   | 300                  | 300                  |
| Merger reserve   | 21   | 17,302               | 17,302               |
| Profit and loss account                                    | 21   | 10,154               | 9,814                |
| <b>Equity attributable to owners of the parent Company</b> |      | <u><u>26,150</u></u> | <u><u>25,810</u></u> |

**STESSA TRADING LIMITED**  
**REGISTERED NUMBER: 06650439**

**CONSOLIDATED BALANCE SHEET (CONTINUED)**  
**AS AT 31 DECEMBER 2022**

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

*Charles Ferguson-Davie*

Charles Ferguson-Davie (Sep 28, 2023,  
**Charles Ferguson-Davie**  
Director

Date: 28 Sep 2023

The notes on pages 16 to 37 form part of these financial statements.

**STESSA TRADING LIMITED**  
**REGISTERED NUMBER: 06650439**

**COMPANY BALANCE SHEET**  
**AS AT 31 DECEMBER 2022**

|  | Note | 2022<br>£000        | 2021<br>£000        |
|--|------|---------------------|---------------------|
| <b>Fixed assets</b>                            |      |                     |                     |
| Investments                                    | 13   | 400                 | 400                 |
| <b>Current assets</b>                          |      |                     |                     |
| Debtors: amounts falling due within one year   | 15   | 6,913               | 6,911               |
| Cash at bank and in hand                       | 16   | 10                  | 27                  |
|  |      | <u>6,923</u>        | <u>6,938</u>        |
| Creditors: amounts falling due within one year | 17   | (937)               | (937)               |
| <b>Net current assets</b>                      |      | <u>5,986</u>        | <u>6,001</u>        |
| <b>Total assets less current liabilities</b>   |      | <u>6,386</u>        | <u>6,401</u>        |
| <b>Net assets</b>                              |      | <u><u>6,386</u></u> | <u><u>6,401</u></u> |
| <b>Capital and reserves</b>                    |      |                     |                     |
| Called up share capital                        | 20   | 153                 | 153                 |
| Share premium account                          | 21   | 533                 | 533                 |
| Capital redemption reserve                     | 21   | 300                 | 300                 |
| Profit and loss account brought forward        |      | 5,415               | 5,251               |
| Loss/(profit) for the year                     |      | (15)                | 164                 |
| Profit and loss account carried forward        |      | <u>5,400</u>        | <u>5,415</u>        |
|  |      | <u><u>6,386</u></u> | <u><u>6,401</u></u> |

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

  
**Charles Ferguson-Davie**  
Charles Ferguson-Davie (Sep 28, 2023 9:24am)  
 Director

Date: 28 Sep 2023

The notes on pages 16 to 37 form part of these financial statements.

**STESSA TRADING LIMITED**

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2022**

|  | Called up<br>share capital | Share<br>premium<br>account | Capital<br>redemption<br>reserve | Investment in<br>own shares | Merger<br>reserve | Profit and<br>loss account | Total equity  |
|--|----------------------------|-----------------------------|----------------------------------|-----------------------------|-------------------|----------------------------|---------------|
|  | £000                       | £000                        | £000                             | £000                        | £000              | £000                       | £000          |
| At 1 January 2022                        | 153                        | 533                         | 300                              | (2,292)                     | 17,302            | 9,814                      | 25,810        |
| <b>Comprehensive income for the year</b> |                            |                             |                                  |                             |                   |                            |               |
| Profit for the year                      | -                          | -                           | -                                | -                           | -                 | 340                        | 340           |
| <b>At 31 December 2022</b>               | <u>153</u>                 | <u>533</u>                  | <u>300</u>                       | <u>(2,292)</u>              | <u>17,302</u>     | <u>10,154</u>              | <u>26,150</u> |

The notes on pages 16 to 37 form part of these financial statements.

**STESSA TRADING LIMITED**

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2021**

|  | Called up<br>share capital | Share<br>premium<br>account | Capital<br>redemption<br>reserve | Investment in<br>own shares | Merger<br>reserve | Profit and<br>loss account | Total equity  |
|--|----------------------------|-----------------------------|----------------------------------|-----------------------------|-------------------|----------------------------|---------------|
|  | £000                       | £000                        | £000                             | £000                        | £000              | £000                       | £000          |
| At 1 January 2021                        | 153                        | 533                         | 300                              | (2,292)                     | 17,302            | 10,463                     | 26,459        |
| <b>Comprehensive income for the year</b> |                            |                             |                                  |                             |                   |                            |               |
| Loss for the year                        | -                          | -                           | -                                | -                           | -                 | (649)                      | (649)         |
| <b>At 31 December 2021</b>               | <u>153</u>                 | <u>533</u>                  | <u>300</u>                       | <u>(2,292)</u>              | <u>17,302</u>     | <u>9,814</u>               | <u>25,810</u> |

The notes on pages 16 to 37 form part of these financial statements.



**STESSA TRADING LIMITED**

**COMPANY STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2022**

|  | Called up<br>share capital | Share<br>premium<br>account | Capital<br>redemption<br>reserve | Profit and<br>loss account | Total equity |
|--|----------------------------|-----------------------------|----------------------------------|----------------------------|--------------|
|  | £000                       | £000                        | £000                             | £000                       | £000         |
| At 1 January 2022                        | 153                        | 533                         | 300                              | 5,415                      | 6,401        |
| <b>Comprehensive income for the year</b> |                            |                             |                                  |                            |              |
| Loss for the year                        | -                          | -                           | -                                | (15)                       | (15)         |
| <b>At 31 December 2022</b>               | <u>153</u>                 | <u>533</u>                  | <u>300</u>                       | <u>5,400</u>               | <u>6,386</u> |

**COMPANY STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2021**

|  | Called up<br>share capital | Share<br>premium<br>account | Capital<br>redemption<br>reserve | Profit and<br>loss account | Total equity |
|--|----------------------------|-----------------------------|----------------------------------|----------------------------|--------------|
|  | £000                       | £000                        | £000                             | £000                       | £000         |
| At 1 January 2021                        | 153                        | 533                         | 300                              | 5,251                      | 6,237        |
| <b>Comprehensive income for the year</b> |                            |                             |                                  |                            |              |
| Profit for the year                      | -                          | -                           | -                                | 164                        | 164          |
| <b>At 31 December 2021</b>               | <u>153</u>                 | <u>533</u>                  | <u>300</u>                       | <u>5,415</u>               | <u>6,401</u> |

The notes on pages 16 to 37 form part of these financial statements.

**STESSA TRADING LIMITED**

**CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

|   | 2022<br>£000   | 2021<br>£000   |
|---|----------------|----------------|
| <b>Cash flows from operating activities</b>                   |                |                |
| Profit/(loss) for the financial year                          | 340            | (649)          |
| <b>Adjustments for:</b>                                       |                |                |
| Depreciation of tangible assets                               | 99             | 113            |
| Impairments of fixed asset investments                        | -              | 374            |
| Profit on disposal of other fixed asset investments           | -              | (49)           |
| Interest received   | (48)           | (5)            |
| Taxation charge   | (60)           | 122            |
| Increase in debtors   | (3,083)        | (1,399)        |
| Increase in creditors   | 433            | 42             |
| Corporation tax paid  | (5)            | (6)            |
| Income from fixed asset investments                           | (2,077)        | (117)          |
| <b>Net cash generated from operating activities</b>           | <u>(4,401)</u> | <u>(1,574)</u> |
| <b>Cash flows from investing activities</b>                   |                |                |
| Purchase of tangible fixed assets                             | (2)            | (8)            |
| Purchase of other fixed asset investments                     | (3,095)        | (4,985)        |
| Sale of other fixed asset investments                         | -              | 110            |
| Repayment of partner loans                                    | 1,617          | 2,479          |
| Interest received   | 48             | 5              |
| Income from fixed asset investments                           | 2,077          | 117            |
| <b>Net cash from investing activities</b>                     | <u>645</u>     | <u>(2,282)</u> |
| <b>Net (decrease) in cash and cash equivalents</b>            | <u>(3,756)</u> | <u>(3,856)</u> |
| Cash and cash equivalents at beginning of year                | 14,946         | 18,802         |
| <b>Cash and cash equivalents at the end of year</b>           | <u>11,190</u>  | <u>14,946</u>  |
| <b>Cash and cash equivalents at the end of year comprise:</b> |                |                |
| Cash at bank and in hand                                      | 11,190         | 14,946         |
|   | <u>11,190</u>  | <u>14,946</u>  |

## **STESSA TRADING LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022**

#### **1. General information**

Stessa Trading Limited is a private company, limited by shares and incorporated in England and Wales, registration number 06650439. The address of the registered office is 10 Grosvenor Street, London, England, W1K 4QB.

#### **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 judgement in applying the Group's accounting policies (see note 3).

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Comprehensive Income in these financial statements.

These financial statements are presented in sterling, which is the functional currency of the Group and rounded to the nearest £'000 unless otherwise stated.

The following principal accounting policies have been applied:

##### **2.2 Compliance with accounting standards**

The financial statements have been prepared using FRS 102, the financial reporting standard applicable in the UK and Republic of Ireland. There were no material departures from that standard.

##### **2.3 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 Statement of Comprehensive Income from the date on which control is obtained. They are deconsolidated from the date control ceases.

Several of the Company's indirect subsidiaries have been appointed General Partner to limited partnerships. Based on the terms set out in the underlying limited partnership agreements the Directors are of the opinion that there are long term restrictions over the general partners' ability to control these partnerships. The results of the partnerships have therefore not been included in the Group financial statements.

The Group has also included the results, assets and liabilities of the employee benefit trust in accordance with section 9 of FRS 102.

## **STESSA TRADING LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022**

#### **2. Accounting policies (continued)**

##### **2.4 Going concern**

The Group meets its day-to day working capital requirements through its cash holdings. The Group's forecasts and projections, taking account of reasonably possible changes in trading performance, show that the Group should be able to operate comfortably within the level of its current cash reserves. After making enquiries, the Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. The Group therefore continues to adopt the going concern basis in preparing its financial statements.

##### **2.5 Revenue**

Turnover comprises the fair value of the consideration received or receivable, net of value added tax.

Turnover consists of management fees, advisory fees, administration fees, transaction fees and distributions from the partnership funds the group is invested in.

Revenue from management, advisory or administration fees are recognised in the accounting period in which the services are provided. Income earned not invoiced is included within accrued income.

Transaction fees are one off transactions, linked to asset purchases, sales or the arrangement of investment loans. Revenue from transaction fees is recognised upon completion of each transaction. Outstanding payments at the year end are included within trade debtors.

Distributions are recognised when it is probable that the economic benefit will flow to the Group.

##### **2.6 Operating leases: the Group as lessee**

Rentals paid under operating leases are charged to profit or loss on a straight-line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight-line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

##### **2.7 Interest income**

Interest income is recognised in profit or loss using the effective interest method.

##### **2.8 Pensions**

###### **Defined contribution pension plan**

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

The contributions are recognised as an expense in profit or loss 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.

## STESSA TRADING LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

#### 2. Accounting policies (continued)

##### 2.9 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss 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.

##### 2.10 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.

At each reporting date the Group assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

The estimated useful lives range as follows:

|                        |                       |
|------------------------|-----------------------|
| Leasehold improvements | - over the lease term |
| Fixtures and fittings  | - 20-33%              |

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 profit or loss.

## **STESSA TRADING LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022**

#### **2. Accounting policies (continued)**

##### **2.11 Investment property**

Investment property is carried at fair value determined annually by the Directors and derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specific asset. No depreciation is provided. Changes in fair value are recognised in the Consolidated Statement of Comprehensive Income.

##### **2.12 Valuation of investments**

Investments in subsidiaries are measured at cost less accumulated impairment.

Investments in other fixed asset investments are stated at historic cost less impairment.

##### **2.13 Joint ventures**

An entity is treated as a joint venture where the Group is a party to a contractual agreement with one or more parties from outside the Group to undertake an economic activity that is subject to joint control.

In the consolidated accounts, interests in joint ventures are accounted for using the equity method of accounting. Under this method an equity investment is initially recognised at the transaction price (including transaction costs) and is subsequently adjusted to reflect the investors share of the profit or loss, other comprehensive income and equity of the joint venture. The Consolidated Statement of Comprehensive Income includes the Group's share of the operating results, interest, pre-tax results and attributable taxation of such undertakings applying accounting policies consistent with those of the Group. In the Consolidated Balance Sheet, the interests in joint ventures are shown as the Group's share of the identifiable net assets, including any unamortised premium paid on acquisition.

##### **2.14 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.

##### **2.15 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.

##### **2.16 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.

## STESSA TRADING LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

#### 2. Accounting policies (continued)

##### 2.17 Provisions for liabilities

Provisions are made where an event has taken place that gives the Group a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to profit or loss in the year that the Group becomes aware of the obligation, and are measured at the best estimate at the balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance Sheet.

##### 2.18 Financial instruments

The Group has elected to apply the provisions of Section 11 "Basic Financial Instruments" of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Group's Balance Sheet when the Group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### Basic financial assets

Basic financial assets, which include trade and other receivables, cash and bank balances, are initially measured at their transaction price including transaction costs and are subsequently carried at their amortised cost using the effective interest method, less any provision for impairment, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Discounting is omitted where the effect of discounting is immaterial. The Group's cash and cash equivalents, trade and most other receivables due with the operating cycle fall into this category of financial instruments.

##### Impairment of financial assets

Financial assets are assessed for indicators of impairment at each reporting date.

Financial assets are impaired when events, subsequent to their initial recognition, indicate the estimated future cash flows derived from the financial asset(s) have been adversely impacted. The impairment loss will be the difference between the current carrying amount and the present value of the future cash flows at the asset(s) original effective interest rate.

If there is a favourable change in relation to the events surrounding the impairment loss then the impairment can be reviewed for possible reversal. The reversal will not cause the current carrying amount to exceed the original carrying amount had the impairment not been recognised. The impairment reversal is recognised in the profit or loss.

##### Financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Group after the deduction of all its liabilities.

Basic financial liabilities, which include trade and other payables, bank loans, other loans and loans

## **STESSA TRADING LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022**

#### **2. Accounting policies (continued)**

##### **2.18 Financial instruments (continued)**

due to fellow group companies are initially measured at their transaction price after transaction costs. When this constitutes a financing transaction, whereby the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Discounting is omitted where the effect of discounting is immaterial.

Debt instruments are subsequently carried at their amortised cost using the effective interest rate method.

Trade payables are obligations to pay for goods and services that have been acquired in the ordinary course of business from suppliers. Trade payables are classified as current liabilities if the payment is due within one year. If not, they represent non-current liabilities. Trade payables are initially recognised at their transaction price and subsequently are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial.

##### **Derecognition of financial assets**

Financial assets are derecognised when their contractual right to future cash flow expire, or are settled, or when the Group transfers the asset and substantially all the risks and rewards of ownership to another party. If significant risks and rewards of ownership are retained after the transfer to another party, then the Group will continue to recognise the value of the portion of the risks and rewards retained.

##### **Derecognition of financial liabilities**

Financial liabilities are derecognised when the Group's contractual obligations expire or are discharged or cancelled.

#### **3. Judgements in applying accounting policies and key sources of estimation uncertainty**

In preparing the financial statements, management is required to make judgements, estimates and assumptions which affect reported income, expenses, assets, liabilities and disclosure of contingent assets and liabilities. Use of available information and application of judgement are inherent in the formation of estimates, together with past experience and expectations of future events that are believed to be reasonable under the circumstances. Actual results in the future could differ from such estimates.

##### **Fair value of investment property**

The Directors have valued the investment property on an open market value for existing use basis. The Directors have reviewed current market prices and have assessed the fair value of the investment property at the balance sheet date to be £134,000 (2021 - £134,000).

#### **4. Turnover**

The whole of the turnover is attributable to the Group's main activity which is carried out in the United Kingdom. No analysis of turnover is presented as the Directors consider such disclosure to be seriously prejudicial to the interests of the Group.



# **STESSA TRADING LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022**

### **5. Operating loss**

The operating loss is stated after charging:

|  | 2022<br>£000      | 2021<br>£000      |
|--|-------------------|-------------------|
| Depreciation of tangible fixed assets  | 99                | 113               |
| Fees payable to the Company's auditors for the audit of the Company's financial statements | 12                | 12                |
| Pension costs  | 249               | 232               |
| Operating lease rentals  | 326               | 341               |
|  | <u>          </u> | <u>          </u> |

### **6. Auditors' remuneration**

During the year, the Group obtained the following services from the Company's auditors:

|  | 2022<br>£000      | 2021<br>£000      |
|--|-------------------|-------------------|
| Fees payable to the Company's auditors for the audit of the consolidated and parent Company's financial statements | 12                | 12                |
| Fees payable to the Company's auditors in respect of:  |                   |                   |
| Audit of the Group's subsidiaries  | 52                | 45                |
| All other services   | 17                | 17                |
|  | <u>          </u> | <u>          </u> |
|  | 81                | 74                |

# STESSA TRADING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

### 7. Employees

Staff costs, including Directors' remuneration, were as follows:

|                                     | Group<br>2022<br>£000 | Group<br>2021<br>£000 | Company<br>2022<br>£000 | Company<br>2021<br>£000 |
|-------------------------------------|-----------------------|-----------------------|-------------------------|-------------------------|
| Wages and salaries                  | 4,178                 | 3,860                 | -                       | -                       |
| Social security costs               | 572                   | 505                   | -                       | -                       |
| Cost of defined contribution scheme | 249                   | 232                   | -                       | -                       |
|                                     | <u>4,999</u>          | <u>4,597</u>          | <u>-</u>                | <u>-</u>                |

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

|                | Group<br>2022<br>No. | Group<br>2021<br>No. | Company<br>2022<br>No. | Company<br>2021<br>No. |
|----------------|----------------------|----------------------|------------------------|------------------------|
| Directors      | 3                    | 3                    | 3                      | 3                      |
| Property       | 9                    | 8                    | -                      | -                      |
| Finance        | 6                    | 7                    | -                      | -                      |
| Administration | 3                    | 3                    | -                      | -                      |
|                | <u>21</u>            | <u>21</u>            | <u>3</u>               | <u>3</u>               |

### 8. Directors' remuneration

|                       | Group<br>2022<br>£000 | Group<br>2021<br>£000 |
|-----------------------|-----------------------|-----------------------|
| Directors' emoluments | 1,083                 | 1,029                 |
| Other pension costs   | 138                   | 133                   |
|                       | <u>1,221</u>          | <u>1,162</u>          |

During the year retirement benefits were accruing to 1 Director (2021 - 1) in respect of defined contribution pension schemes.

The highest paid Director received remuneration of £543,000 (2021 - £520,000).

The value of the Company's payments in lieu of contributions to a defined contribution pension scheme in respect of the highest paid director amounted to £94,000 (2021 - £91,000).

**STESSA TRADING LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

**9. Income from investments**

|   | 2022<br>£000 | 2021<br>£000 |
|---|--------------|--------------|
| Distributions received from other fixed asset investments | 2,047        | -            |
| Dividends received from other fixed asset investments     | 30           | 117          |
|   | <u>2,077</u> | <u>117</u>   |

**10. Interest receivable**

|                           | 2022<br>£000 | 2021<br>£000 |
|---------------------------|--------------|--------------|
| Other interest receivable | 48           | 5            |
|                           | <u>48</u>    | <u>5</u>     |

**11. Taxation**

|   | 2022<br>£000 | 2021<br>£000 |
|---|--------------|--------------|
| <b>Corporation tax</b>                                  |              |              |
| Current tax on profits for the year                     | 6            | 6            |
| Adjustments in respect of previous periods              | -            | 59           |
|   | <u>6</u>     | <u>65</u>    |
| <b>Deferred tax</b>                                     |              |              |
| Origination and reversal of timing differences          | (66)         | 52           |
| Changes to tax rates                                    | -            | 15           |
| Increase in discount                                    | -            | (10)         |
| <b>Total deferred tax</b>                               | <u>(66)</u>  | <u>57</u>    |
| <b>Taxation on (loss)/profit on ordinary activities</b> | <u>(60)</u>  | <u>122</u>   |

# STESSA TRADING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

### 11. Taxation (continued)

#### Factors affecting tax charge for the year

The tax assessed for the year is lower than (2021 - higher than) the standard rate of corporation tax in the UK of 19% (2021 - 19%). The differences are explained below:

|   | 2022<br>£000 | 2021<br>£000 |
|---|--------------|--------------|
| Profit/(loss) on ordinary activities before tax   | 280          | (527)        |
| Profit/(loss) on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2021 - 19%) | 53           | (100)        |
| <b>Effects of:</b>  |              |              |
| Controlled foreign company chargeable profits at tax rate apportioned   | 1            | 2            |
| Expenses not deductible/(income not taxable) for tax purposes   | (175)        | 149          |
| Adjustments to tax charge in respect of prior periods   | -            | 59           |
| Losses not recognised   | 127          | (45)         |
| Deferred tax recognised   | (66)         | 57           |
| <b>Total tax charge for the year</b>  | <b>(60)</b>  | <b>122</b>   |

#### Factors that may affect future tax charges

There were no factors that may affect future tax charges.

**STESSA TRADING LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

**12. Tangible fixed assets**

**Group**

|                                     | Short-term<br>leasehold<br>improvements<br>£000 | Fixtures and<br>fittings<br>£000 | Total<br>£000 |
|-------------------------------------|---|----------------------------------|---------------|
| <b>Cost or valuation</b>            |   |                                  |               |
| At 1 January 2022                   | 856   | 660                              | 1,516         |
| Additions                           | -   | 2                                | 2             |
| At 31 December 2022                 | 856   | 662                              | 1,518         |
| <b>Depreciation</b>                 |   |                                  |               |
| At 1 January 2022                   | 423   | 645                              | 1,068         |
| Charge for the year on owned assets | 88  | 11                               | 99            |
| At 31 December 2022                 | 511   | 656                              | 1,167         |
| <b>Net book value</b>               |   |                                  |               |
| At 31 December 2022                 | 345   | 6                                | 351           |
| At 31 December 2021                 | 433   | 15                               | 448           |

**STESSA TRADING LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

**13. Fixed asset investments**

**Group**

|                            | Other fixed<br>asset<br>investments<br>£000 |
|----------------------------|---|
| <b>Cost or valuation</b>   |   |
| At 1 January 2022          | 6,303                                       |
| Additions                  | 3,095                                       |
| Repayment of partner loans | (1,617)                                     |
|                            | <hr/>                                       |
| At 31 December 2022        | 7,781                                       |
|                            | <hr/>                                       |
| <b>Impairment</b>          |   |
| At 1 January 2022          | 822   |
|                            | <hr/>                                       |
| At 31 December 2022        | 822   |
|                            | <hr/>                                       |
| <b>Net book value</b>      |   |
| At 31 December 2022        | 6,959                                       |
|                            | <hr/> <hr/>                                 |
| At 31 December 2021        | 5,480                                       |
|                            | <hr/> <hr/>                                 |

In prior periods impairment charges have been recognised totalling £822,000 in respect of other fixed asset investments based on the Directors' assessment of the recoverable value at the balance sheet date.

# STESSA TRADING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

### 13. Fixed asset investments (continued)

#### Company

|                          | Investments<br>in subsidiary<br>companies<br>£000 | Other fixed<br>asset<br>investments<br>£000 | Total<br>£000 |
|--------------------------|---|---|---------------|
| <b>Cost or valuation</b> |   |   |               |
| At 1 January 2022        | 650   | 340   | 990           |
| At 31 December 2022      | 650   | 340   | 990           |
| <b>Impairment</b>        |   |   |               |
| At 1 January 2022        | 250   | 340   | 590           |
| At 31 December 2022      | 250   | 340   | 590           |
| <b>Net book value</b>    |   |   |               |
| At 31 December 2022      | 400   | -   | 400           |
| At 31 December 2021      | 400   | -   | 400           |

#### Direct subsidiary undertakings

The following were direct subsidiary undertakings of the Company:

| Name   | Registered office                                   | Principal activity | Class of<br>shares | Holding |
|--|---|--------------------|--------------------|---------|
| Stessa Holdings Limited                      | 10 Grosvenor Street,<br>London, England, W1K<br>4QB | Holding company    | Ordinary           | 100%    |
| Dom@in Limited**                             | 10 Grosvenor Street,<br>London, England, W1K<br>4QB | Dormant            | Ordinary           | 100%    |
| Domain Chelsea Point<br>Management Limited** | 10 Grosvenor Street,<br>London, England, W1K<br>4QB | Dormant            | Ordinary           | 100%    |

# STESSA TRADING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

### 13. Fixed asset investments (continued)

#### Indirect subsidiary undertakings

The following were indirect subsidiary undertakings of the Company:

| Name                                      | Registered office  | Principal activity                                     | Class of shares | Holding |
|---|--|--|-----------------|---------|
| Stessa Limited                            | 10 Grosvenor Street,<br>London, England, W1K 4QB                                 | Holding company  | Ordinary        | 100%    |
| Moorfield Investment Management Limited   | 10 Grosvenor Street,<br>London, England, W1K 4QB                                 | Provision of investment management services            | Ordinary        | 100%    |
| Moorfield Real Estate Fund GP Limited     | 10 Grosvenor Street,<br>London, England, W1K 4QB                                 | General partner to funds managed by the Group          | Ordinary        | 100%    |
| Moorfield Real Estate Fund II GP Limited  | 10 Grosvenor Street,<br>London, England, W1K 4QB                                 | General partner to funds managed by the Group          | Ordinary        | 100%    |
| Moorfield Newbury CIP Limited             | 10 Grosvenor Street,<br>London, England, W1K 4QB                                 | Carried interest partner to funds managed by the Group | Ordinary        | 100%    |
| Moorfield Real Estate Fund CIP Limited    | 10 Grosvenor Street,<br>London, England, W1K 4QB                                 | Carried interest partner to funds managed by the Group | Ordinary        | 100%    |
| Moorfield Real Estate Fund II CIP Limited | 10 Grosvenor Street,<br>London, England, W1K 4QB                                 | Carried interest partner to funds managed by the Group | Ordinary        | 100%    |
| Moorfield Hadrian's Hall Limited          | 10 Grosvenor Street,<br>London, England, W1K 4QB                                 | Dormant  | Ordinary        | 100%    |
| MREF III GP Limited                       | 10 Grosvenor Street,<br>London, England, W1K 4QB                                 | General partner to funds managed by the Group          | Ordinary        | 100%    |
| MREF III Limited                          | 10 Grosvenor Street,<br>London, England, W1K 4QB                                 | Investment company                                     | Ordinary        | 100%    |
| BG-MF Investments GP Limited **           | 10 Grosvenor Street,<br>London, England, W1K 4QB                                 | General partner to funds managed by the Group          | Ordinary        | 100%    |
| Precis (2768) Limited                     | 10 Grosvenor Street,<br>London, England, W1K 4QB                                 | Carried interest partner to funds managed by the Group | Ordinary        | 100%    |
| MREF III BG GP Limited                    | C/O Brodies LLP Capital Square, 58 Morrison Street, Edinburgh, Scotland, EH3 8BP | General partner to funds managed by the Group          | Ordinary        | 100%    |
| MAREF CIP GP Ltd                          | 10 Grosvenor Street,<br>London, England, W1K 4QB                                 | Carried interest partner to funds managed by the Group | Ordinary        | 100%    |
| MAREF GP Ltd                              | 10 Grosvenor Street,<br>London, England, W1K 4QB                                 | General partner to funds managed by the Group          | Ordinary        | 100%    |
| MREF IV Limited                           | 10 Grosvenor Street,<br>London, England, W1K 4QB                                 | Investment company                                     | Ordinary        | 100%    |



# STESSA TRADING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

### 13. Fixed asset investments (continued)

#### Indirect subsidiary undertakings (continued)

| Name                               | Registered office   | Principal activity                                     | Class of shares         | Holding |
|------------------------------------|---|--|-------------------------|---------|
| MREF IV GP Limited                 | 10 Grosvenor Street,<br>London, England, W1K 4QB                                    | General partner to funds managed by the Group          | Ordinary                | 100%    |
| Moorfield Audley LP Limited        | 10 Grosvenor Street,<br>London, England, W1K 4QB                                    | Investment company                                     | Ordinary                | 100%    |
| Precis (2773) Limited              | 10 Grosvenor Street,<br>London, England, W1K 4QB                                    | Carried interest partner to funds managed by the Group | Ordinary                | 100%    |
| MREF IV Lux GP S.a.r.l.            | 42-44 Avenue de la Gare, L-1610<br>Luxembourg, Grand-Duchy of Luxembourg            | General partner to funds managed by the Group          | Ordinary                | 100%    |
| MIT Private Company Limited        | 10 Grosvenor Street,<br>London, England, W1K 4QB                                    | Investment company                                     | Ordinary and preference | 100%    |
| MREF V Limited                     | 10 Grosvenor Street,<br>London, England, W1K 4QB                                    | Investment company                                     | Ordinary                | 100%    |
| MREF V GP Limited                  | 10 Grosvenor Street,<br>London, England, W1K 4QB                                    | General partner to funds managed by the Group          | Ordinary                | 100%    |
| MREF III Intermediate GP Limited   | 10 Grosvenor Street,<br>London, England, W1K 4QB                                    | General partner to funds managed by the Group          | Ordinary                | 100%    |
| Moorfield Car Park 1 Limited       | 10 Grosvenor Street,<br>London, England, W1K 4QB                                    | Investment company                                     | Ordinary                | 100%    |
| Moorfield Car Park 2 Limited       | 10 Grosvenor Street,<br>London, England, W1K 4QB                                    | Investment company                                     | Ordinary                | 100%    |
| Buccmoor General Partner Limited * | 27 Silvermills Court,<br>Henderson Place Lane,<br>Edinburgh, Midlothian,<br>EH3 5DG | General partner  | Ordinary                | 50%     |
| MREF V Lux GP S.a.r.l.             | 42-44 Avenue de la Gare, L-1610<br>Luxembourg, Grand-Duchy of Luxembourg            | General partner to funds managed by the Group          | Ordinary                | 100%    |
| Precis (2779) Limited              | 10 Grosvenor Street,<br>London, England, W1K 4QB                                    | Carried interest partner to funds managed by the Group | Ordinary                | 100%    |
| Moorfield Group Limited            | 10 Grosvenor Street,<br>London, England, W1K 4QB                                    | Provision of asset management services                 | Ordinary                | 100%    |

**STESSA TRADING LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

**13. Fixed asset investments (continued)**

**Indirect subsidiary undertakings (continued)**

\* Buccmoor General Partner Limited is a joint venture of the Group. In the current and prior year it was not material for the Group to recognise its share of the net assets, operating results, interest, pre-tax results and attributable taxation of the joint venture.

\*\* The following entities were dissolved post year end.

**14. Investment property**

**Group**

|                            | Freehold<br>investment<br>property<br>£000 |
|----------------------------|--|
| <b>Valuation</b>           |  |
| At 1 January 2022          | 134  |
| <b>At 31 December 2022</b> | <u>134</u>                                 |

The 2022 valuations were made by the Directors, on an open market value for existing use basis.

**STESSA TRADING LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

**15. Debtors**

|                                     | Group<br>2022<br>£000 | Group<br>2021<br>£000 | Company<br>2022<br>£000 | Company<br>2021<br>£000 |
|-------------------------------------|-----------------------|-----------------------|-------------------------|-------------------------|
| <b>Due after more than one year</b> |                       |                       |                         |                         |
| Accrued income                      | 2,458                 | 2,021                 | -                       | -                       |

Accrued income comprises non interest bearing amounts owed by related undertakings.

|                                    | Group<br>2022<br>£000 | Group<br>2021<br>£000 | Company<br>2022<br>£000 | Company<br>2021<br>£000 |
|------------------------------------|-----------------------|-----------------------|-------------------------|-------------------------|
| <b>Due within one year</b>         |                       |                       |                         |                         |
| Trade debtors                      | 4,374                 | 2,663                 | -                       | -                       |
| Amounts owed by group undertakings | -                     | -                     | 6,905                   | 6,905                   |
| Other debtors                      | 2,912                 | 2,155                 | 8                       | 6                       |
| Prepayments and accrued income     | 331                   | 154                   | -                       | -                       |
|                                    | <u>7,617</u>          | <u>4,972</u>          | <u>6,913</u>            | <u>6,911</u>            |

Amounts owed by group undertakings are interest free and repayable on demand.

Included in trade and other debtors are amounts owed by related parties. Refer to note 26 for details.

**16. Cash and cash equivalents**

|                          | Group<br>2022<br>£000 | Group<br>2021<br>£000 | Company<br>2022<br>£000 | Company<br>2021<br>£000 |
|--------------------------|-----------------------|-----------------------|-------------------------|-------------------------|
| Cash at bank and in hand | 11,190                | 14,946                | 10                      | 27                      |

# STESSA TRADING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

### 17. Creditors: Amounts falling due within one year

|                                      | Group<br>2022<br>£000 | Group<br>2021<br>£000 | Company<br>2022<br>£000 | Company<br>2021<br>£000 |
|--------------------------------------|-----------------------|-----------------------|-------------------------|-------------------------|
| Trade creditors                      | 10                    | 13                    | -                       | -                       |
| Amounts owed to group undertakings   | -                     | -                     | 919                     | 919                     |
| Amounts owed to related undertakings | -                     | 72                    | -                       | -                       |
| Corporation tax                      | 251                   | 251                   | -                       | -                       |
| Other taxation and social security   | 350                   | 147                   | -                       | -                       |
| Other creditors                      | 16                    | 12                    | -                       | -                       |
| Accruals and deferred income         | 1,882                 | 1,581                 | 18                      | 18                      |
|                                      | <u>2,509</u>          | <u>2,076</u>          | <u>937</u>              | <u>937</u>              |

Amounts owed to group and related undertakings are unsecured, interest free and repayable on demand.

### 18. Financial instruments

|   | Group<br>2022<br>£000 | Group<br>2021<br>£000 | Company<br>2022<br>£000 | Company<br>2021<br>£000 |
|---|-----------------------|-----------------------|-------------------------|-------------------------|
| <b>Financial assets</b>   |                       |                       |                         |                         |
| Financial assets measured at fair value through profit or loss        | 11,190                | 14,946                | 10                      | 27                      |
| Financial assets that are debt instruments measured at amortised cost | 7,286                 | 4,817                 | 6,913                   | 6,905                   |
|   | <u>18,476</u>         | <u>19,763</u>         | <u>6,923</u>            | <u>6,932</u>            |
| <b>Financial liabilities</b>  |                       |                       |                         |                         |
| Financial liabilities measured at amortised cost                      | 627                   | 495                   | 919                     | 919                     |

Financial assets measured at fair value through profit or loss comprise cash and cash equivalents.

Financial assets that are debt instruments measured at amortised cost comprise trade debtors, amounts owed by group and related undertakings and other debtors.

Financial liabilities measured at amortised cost comprise trade creditors, amounts owed to group and related undertakings, corporation tax, other taxation and social security and other creditors.

# STESSA TRADING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

### 19. Deferred taxation

#### Group

|                           | 2022<br>£000 | 2021<br>£000 |
|---------------------------|--------------|--------------|
| At beginning of year      | (115)        | (58)         |
| Charged to profit or loss | 66           | (57)         |
| <b>At end of year</b>     | <b>(49)</b>  | <b>(115)</b> |

The provision for deferred taxation is made up as follows:

|                                | Group<br>2022<br>£000 | Group<br>2021<br>£000 |
|--------------------------------|-----------------------|-----------------------|
| Accelerated capital allowances | (49)                  | (115)                 |

### 20. Share capital

|  | 2022<br>£000 | 2021<br>£000 |
|--|--------------|--------------|
| <b>Allotted, called up and fully paid</b>                        |              |              |
| 30,000,000 (2021 - 30,000,000) A ordinary shares of £0.0050 each | 150          | 150          |
| 30,000,000 (2021 - 30,000,000) B ordinary shares of £0.0001 each | 3            | 3            |
|  | <b>153</b>   | <b>153</b>   |

## STESSA TRADING LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

#### 21. Reserves

##### Share premium account

The share premium account is the credited difference in price between the par value of the shares and the total price the Company received for the issued shares.

##### Investment in own shares

The investment in own shares reserve represents equity of the Company that has been acquired by the employee benefit trust whose results, assets and liabilities are included in these financial statements. In accordance with section 9 of FRS 102 these amounts have been presented as a deduction from equity.

##### Capital redemption reserve

The capital redemption reserve represents amounts paid to purchase the Company's own shares.

##### Merger Reserve

The merger reserve relates to a share for share exchange which occurred prior to the Company and Group transitioning to FRS 102.

##### Profit and loss account

The profit and loss account represents cumulative profits and losses net of all adjustments.

#### 22. Analysis of net debt

|                          | At 1 January<br>2022<br>£000 | Cash flows<br>£000 | At 31<br>December<br>2022<br>£000 |
|--------------------------|------------------------------|--------------------|-----------------------------------|
| Cash at bank and in hand | 14,946                       | (3,756)            | 11,190                            |
|                          | <u>14,946</u>                | <u>(3,756)</u>     | <u>11,190</u>                     |

#### 23. Pension commitments

The Group makes pension contributions to self-invested personal pension schemes for all employees (other than where an employee has reached lifetime or annual allowance limits in which case that employee's monthly salary is adjusted accordingly). Of the pensions cost charge recorded of £249,000 (2021 - £232,000) contributions payable by the Group to individual pension schemes amounted to £102,000 (2021 - £86,000). No contributions were outstanding at the balance sheet date (2021 - £Nil).

**STESSA TRADING LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

**24. Commitments under operating leases**

At 31 December 2022 the Group and the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

|  | Group<br>2022<br>£000 | Group<br>2021<br>£000 |
|--|-----------------------|-----------------------|
| Not later than 1 year                        | 383                   | 69                    |
| Later than 1 year and not later than 5 years | 1,082                 | 1,465                 |
|  | <u>1,465</u>          | <u>1,534</u>          |

**25. Transactions with directors**

During the year the Directors were remunerated as set out in note 8.

At the balance sheet date the Group had advanced loans to Directors of £251,000 (2021 - £251,000). The amounts outstanding are interest free, repayable on demand and included in other debtors due within one year.

# STESSA TRADING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

### 26. Related party transactions

The Company is exempt under the terms of Financial Reporting Standard 102 (FRS102) Section 33 paragraph 1A, from disclosing related party transactions with other group companies, on the grounds that the Company is wholly owned within the Group.

The Group has identified the following sales which fall to be disclosed under the terms of FRS 102:

|   | 2022<br>£000 | 2021<br>£000 |
|---|--------------|--------------|
| Fees from MREF and related entities     | -            | 270          |
| Fees from MREF III and related entities | 564          | 1,214        |
| Fees from MREF IV and related entities  | 2,182        | 3,624        |
| Fees from MREF V and related entities   | 1,347        | -            |
| Fees from MAREF and related entities    | 1,716        | 1,714        |
|   | <u>5,809</u> | <u>6,822</u> |

During the year the Group received distributions of £2,047,000 (2021 - £Nil) from its investment in MREF III. This amount is presented in income from fixed asset investments.

MREF III comprises Moorfield Real Estate Fund III "A" Limited Partnership, Moorfield Real Estate Fund III "B" Limited Partnership and Moorfield Real Estate Fund III "PC" Limited Partnership.

MREF IV comprises MREF IV "A" Limited Partnership, MREF IV "B" Limited Partnership, MREF IV "PC" Limited Partnership and MREF IV "C" SCSp.

MAREF comprises Moorfield Audley Real Estate Fund "A" Limited Partnership and Moorfield Audley Real Estate Fund "B" Limited Partnership.

At the balance sheet the following amounts were included in trade and other debtors:

|  | 2022<br>£000 | 2021<br>£000 |
|--|--------------|--------------|
| Amounts due from MREF III and related entities | 277          | 448          |
| Amounts due from MREF IV and related entities  | 930          | 1,811        |
| Amounts due from MREF V and related entities   | 1,313        | -            |
| Amounts due from MAREF and related entities    | 4,350        | 2,329        |
|  | <u>6,870</u> | <u>4,588</u> |

### 27. Controlling party

There is no ultimate controlling party.