

REGISTERED NUMBER: 08734871 (England and Wales)

Report of the Director and
Unaudited Financial Statements for the Year Ended 31 December 2016
for
Starting Investments Limited

THURSDAY



L676SXA9

LD2

25/05/2017

#25

COMPANIES HOUSE

**Contents of the Financial Statements
for the Year Ended 31 December 2016**

	Page
Company Information	1
Report of the Director	2
Income Statement	3
Other Comprehensive Income	4
Statement of Financial Position	5
Statement of Changes in Equity	6
Notes to the Financial Statements	7-10

Starting Investments Limited
Company Information
for the Year Ended 31 December 2016

DIRECTOR: E Mayoral Olive

SECRETARY: Intertrust (UK) Limited

REGISTERED OFFICE: 35 Great St Helen's
Ground Floor
London
EC3A 6AP

REGISTERED NUMBER: 08734871 (England and Wales)

**Report of the Director
for the Year Ended 31 December 2016**

The director presents his report with the financial statements of the company for the year ended 31 December 2016.

The Director presents their report with the financial statements of the Company for the period ended 31 December 2016.

The financial statements have been prepared in accordance with Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council.

No strategic report has been prepared as the Director has opted to apply the exemption available to small companies as per Section 414B of Companies Act 2006.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of selling and organising exhibitions of prominent artwork and antiques.

REVIEW OF BUSINESS

The Company was incorporated on 16 October 2013 and was established to serve as a UK base for the sale of art pieces and antiques, considering the fact that London is an international hub for art and culture.

DIRECTOR

E Mayoral Olive held office during the whole of the period from 1 January 2016 to the date of this report.

DIRECTOR'S RESPONSIBILITIES STATEMENT

The director is responsible for preparing the Report of the Director and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the director must not approve the financial statements unless he is 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 director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The director is 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 him to ensure that the financial statements comply with the Companies Act 2006. He is also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The director is responsible for the maintenance and integrity of the corporate and financial information included on the company's website.

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

ON BEHALF OF THE BOARD:

**STARTING
INVESTMENTS LIMITED**

VAT number: GB-176207701

35 Great St Helen's, London EC3A 6APJ

United Kingdom

E Mayoral Olive - Director

Date: 18/05/2017

**Income Statement
for the Year Ended 31 December 2016**

		Year Ended 31.12.16		Period 1.11.14 to 31.12.15	
	Notes	£	£	£	£
TURNOVER			4,968,133		6,760,347
Cost of sales			<u>(3,395,825)</u>		<u>(4,682,516)</u>
GROSS PROFIT			1,572,308		2,077,831
Distribution costs		(161,737)		(28,927)	
Administrative expenses		<u>(627,219)</u>		<u>(575,080)</u>	
			<u>(788,956)</u>		<u>(604,007)</u>
			783,352		1,473,824
Other operating income			<u>224,834</u>		<u>103,306</u>
OPERATING PROFIT	4		1,008,186		1,577,130
Interest receivable and similar income		<u>6</u>		<u>12</u>	
			<u>6</u>		<u>12</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION			1,008,192		1,577,142
Tax on profit on ordinary activities	5		<u>(183,911)</u>		<u>(306,825)</u>
PROFIT FOR THE FINANCIAL YEAR			<u>824,281</u>		<u>1,270,317</u>

Starting Investments Limited (Registered number: 08734871)

**Other Comprehensive Income
for the Year Ended 31 December 2016**

		Year Ended 31.12.16 £	Period 1.11.14 to 31.12.15 £
Notes			
PROFIT FOR THE YEAR		824,281	1,270,317
OTHER COMPREHENSIVE INCOME		<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>824,281</u>	<u>1,270,317</u>

The notes form part of these financial statements

Statement of Financial Position
31 December 2016

	Notes	2016 £	2015 £
FIXED ASSETS			
Investments	6	-	35,750
CURRENT ASSETS			
Stocks	7	7,897,744	5,591,917
Debtors	8	79,569	754,589
Cash at bank		<u>320,477</u>	<u>1,795,920</u>
		8,299,535	8,142,426
CREDITORS			
Amounts falling due within one year	9	<u>(237,386)</u>	<u>(1,359,460)</u>
NET CURRENT ASSETS		<u>8,060,404</u>	<u>6,782,966</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>8,060,404</u>	<u>6,818,716</u>
CAPITAL AND RESERVES			
Called up share capital	11	5,757,953	5,340,546
Retained earnings	12	<u>2,302,451</u>	<u>1,478,170</u>
SHAREHOLDERS' FUNDS		<u>8,060,404</u>	<u>6,818,716</u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2016.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2016 in accordance with Section 476 of the Companies Act 2006.

The director acknowledges his responsibilities for:

- ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The financial statements were approved by the director on May 18th 2017 and were signed by:


E Mayoral Olive - Director
STARTING INVESTMENTS LIMITED
VAT number: GB-176207701
35 Great St Helen's, London EC3A 6APJ
United Kingdom

Starting Investments Limited (Registered number: 08734871)

**Statement of Changes in Equity
for the Year Ended 31 December 2016**

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 November 2014	2,696,756	207,853	2,904,609
Changes in equity			
Issue of share capital	2,643,790	-	2,643,790
Total comprehensive income	<u>-</u>	<u>1,270,317</u>	<u>1,270,317</u>
Balance at 31 December 2015	<u>5,340,546</u>	<u>1,478,170</u>	<u>6,818,716</u>
Changes in equity			
Issue of share capital	417,407	-	417,407
Total comprehensive income	<u>-</u>	<u>824,281</u>	<u>824,281</u>
Balance at 31 December 2016	<u>5,757,953</u>	<u>2,302,451</u>	<u>8,060,404</u>

The notes form part of these financial statements

1. **LEGAL STATUS**

Starting Investments Limited was formally incorporated with Companies House on 16 October 2013 and its Company number is 08734871 with its registered address being 35 Great St Helen's, London, United Kingdom, EC3A 6AP.

Information regarding the principal activities of the Company is included in the Director's Report.

2. **ACCOUNTING POLICIES**

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Financial reporting standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 11 Financial Instruments paragraphs 11.39 to 11.48A;
- the requirement of Section 33 Related Party Disclosures paragraph 33.7.

Turnover

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the statement of financial position date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

The collection

Additions to the Collection acquired since 16 October 2013 are capitalised and recognised in the balance sheet, at the cost or value of the acquisition. Such items are not depreciated or revalued as a matter of routine as the assets are deemed to have indeterminable lives. Expenditure to conserve the works is included under administrative expenses.

Where works of art are included at valuation, external valuations are used where available.

Financial instruments

The Company accounts for financial instruments as basic, in accordance with the recognition criteria in Section 11 of FRS 102.

Basic financial assets, including trade and other debtors, cash and bank balances, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction. In this case, the transaction is measured at the present value of the future receipts discounted at a market rate of interest for a similar instrument. Basic financial instruments are subsequently measured at amortised cost using the effective interest method.

Notes to the Financial Statements - continued
for the Year Ended 31 December 2016

2. ACCOUNTING POLICIES - continued

Financial instruments - continued

Basic financial liabilities, including trade and other creditors, bank loans and loans from fellow group companies, are initially recognised at transaction price, unless the arrangement constituted a financing transaction. In this case, the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest for a similar instrument. Basic financial liabilities are subsequently measured at amortised cost, using the effective interest rate method.

Financial assets and liabilities that are classified as payable or receivable within one year on initial recognition are measured at the undiscounted amounts of the cash or other consideration expected to be paid or received, net of impairment.

Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits with financial institutions which are subject to an insignificant risk of change in value, and bank overdrafts. Bank overdrafts are presented as current borrowings on the balance sheet.

3. STAFF COSTS

	Year Ended 31.12.16 £	Period 1.11.14 to 31.12.15 £
Wages and salaries	(33,210)	(25,586)
Social security costs	<u>(4,496)</u>	<u>(2,611)</u>
	<u>(37,706)</u>	<u>(28,197)</u>

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

Year Ended	Period
31.12.16	1.11.14 to 31.12.15
<u>2</u>	<u>2</u>

4. OPERATING PROFIT

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

	Year Ended 31.12.16 £	Period 1.11.14 to 31.12.15 £
Taxation advisory services	(5,400)	-
Foreign exchange differences	<u>146,551</u>	<u>45,793</u>
Director's remuneration	<u>15,926</u>	<u>12,914</u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2016

5. **TAXATION**

Analysis of the tax charge

The tax charge on the profit on ordinary activities for the year was as follows:

	Year Ended 31.12.16 £	Period 1.11.14 to 31.12.15 £
Current tax:		
UK corporation tax of 20%	(183,911)	(306,825)
Tax on profit on ordinary activities	<u>(183,911)</u>	<u>(306,825)</u>

6. **FIXED ASSET INVESTMENTS**

	Loans to associates £
At 1 January 2016	35,750
Repayment in year	<u>(35,750)</u>
At 31 December 2016	<u>-</u>

7. **STOCKS**

Stocks of £7,897,744 comprise finished goods and goods for resale. These goods were purchased in different currencies and translated into GBP at the rate ruling at the time of transaction.

8. **DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2016 £	2015 £
Trade debtors	-	632,528
Amounts owed by group undertakings	39,067	19,471
VAT	40,502	46,526
Prepayments	-	56,064
	<u>79,569</u>	<u>754,589</u>

9. **CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2016 £	2015 £
Bank loans and overdrafts (see note 10)	(1,592)	(1,879)
Salaries and Employer NIC payable	(2,256)	-
Trade creditors	(31,064)	(43,007)
Tax	(177,914)	(363,610)
Other creditors- Artwork	(19,160)	(948,452)
Directors' current accounts	-	(1,745)
Accruals and deferred income	-	(767)
Accrued expenses	<u>(5,400)</u>	<u>-</u>
	<u>(237,386)</u>	<u>(1,359,460)</u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2016

10. LOANS

An analysis of the maturity of loans is given below:

	2016 £	2015 £
Amounts falling due within one year or on demand:		
Bank overdrafts	<u>(1,592)</u>	<u>(1,879)</u>

11. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2015 £	2014 £
2,992,500	Ordinary Shares	0.833 8	2,495,148	2,495,148
201,609	Ordinary Shares	1	201,608	201,608
150,000	Ordinary shares	1	150,000	150,000
730,000	Ordinary shares	0.7899	576,627	576,627
116,909	Ordinary shares	0.6127	91,905	91,905
929,500	Ordinary shares	0.7249	673,795	673,795
100,000	Ordinary shares	0.7935	79,353	79,353
600,000	Ordinary shares	0.7249	438,060	438,060
561,773	Ordinary shares	0.6370	445,937	445,937
255,000	Ordinary shares	0.7377	188,113	188,113
529,000	Ordinary shares	0.7890	417,407	-
			<u>5,757,953</u>	<u>5,340,546</u>

12. RESERVES

	Retained earnings £
At 1 January 2016	1,478,170
Profit for the year	<u>824,281</u>
At 31 December 2016	<u>2,302,451</u>

13. ULTIMATE PARENT COMPANY

The Ultimate Parent company for Starting Investments Limited is Starting Investments S.L, a company incorporated in Spain.