

**HERMITAGE CAPITAL MANAGEMENT (UK)
LIMITED
FINANCIAL STATEMENTS
28 FEBRUARY 2017**

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HERMITAGE CAPITAL MANAGEMENT (UK) LIMITED

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HERMITAGE CAPITAL MANAGEMENT (UK) LIMITED

COMPANY INFORMATION

Director	I S Cherkasov
Company secretary	I S Cherkasov
Registered number	05775751
Registered office	The Aspect 12 Finsbury Square London EC2A 1AS
Independent auditor	Blick Rothenberg Audit LLP 16 Great Queen Street Covent Garden London WC2B 5AH

HERMITAGE CAPITAL MANAGEMENT (UK) LIMITED

DIRECTOR'S REPORT FOR THE YEAR ENDED 28 FEBRUARY 2017

The director presents his report and the financial statements for the year ended 28 February 2017.

Results and dividends

The loss for the year, after taxation and minority interests, amounted to £701,688 (2016 - loss £1,845,069).

The director does not recommend a dividend (2016: £nil).

Director

The director who served during the year was:

I S Cherkasov

Disclosure of information to auditor

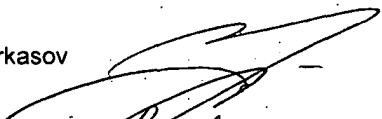
The director at the time when this director's report is approved has confirmed that:

- so far as he is aware, there is no relevant audit information of which the company and the group's auditor is unaware, and
- he 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 auditor is aware of that information.

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

I S Cherkasov
Director

Date:


27/6/2017

HERMITAGE CAPITAL MANAGEMENT (UK) LIMITED

DIRECTOR'S RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 28 FEBRUARY 2017

The director is responsible for preparing the director's report and the consolidated 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). Under company law the director must not approve the financial statements unless satisfied that they 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 director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgments 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 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 the group and to 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

HERMITAGE CAPITAL MANAGEMENT (UK) LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF HERMITAGE CAPITAL MANAGEMENT (UK) LIMITED FOR THE YEAR ENDED 28 FEBRUARY 2017

We have audited the financial statements of Hermitage Capital Management (UK) Limited for the year ended 28 February 2017, set out on pages 6 to 23. The relevant financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards.

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

Respective responsibilities of director and auditor

As explained more fully in the director's responsibilities statement on page 3, the director is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the group's and the parent company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the director; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the director's report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent company's affairs as at 28 February 2017 and of the group's profit or loss 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.

Opinion on other matter 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 director's report for the financial year for which the financial statements are prepared is consistent with those financial statements and this report has been prepared in accordance with applicable legal requirements.

HERMITAGE CAPITAL MANAGEMENT (UK) LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF HERMITAGE CAPITAL MANAGEMENT (UK) LIMITED (continued) FOR THE YEAR ENDED 28 FEBRUARY 2017

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the director's report.

We have nothing to report in respect of the following matters where 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 director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the director was not entitled to take advantage of the small companies' exemption from the requirement to prepare a group strategic report.

Blick Rothenberg Audit LLP

Nils Schmidt-Soltan (Senior statutory auditor)

for and on behalf of

Blick Rothenberg Audit LLP

Statutory Auditor

16 Great Queen Street
Covent Garden
London
WC2B 5AH

Date: 28 June 2017

HERMITAGE CAPITAL MANAGEMENT (UK) LIMITED

CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 28 FEBRUARY 2017

	Note	2017 £	2016 £
Turnover	3	7,586	47,676
Administrative expenses		(1,343,087)	(2,417,579)
Other operating income	4	633,680	524,587
Operating loss	5	(701,821)	(1,845,316)
Interest receivable and similar income	7	143	247
Interest payable and similar expenses		(10)	-
Loss before taxation		(701,688)	(1,845,069)
Tax on loss	8	-	-
Loss after taxation		(701,688)	(1,845,069)
Loss for the financial year attributable to:			
Non-controlling interests		200,000	200,000
Owners of the parent		(901,688)	(2,045,069)
Loss for the financial year		(701,688)	(1,845,069)

There are no items of other comprehensive income for either the year or the prior year other than the profit for the year. Accordingly, no statement of other comprehensive income has been presented.

**HERMITAGE CAPITAL
MANAGEMENT (UK) LIMITED**

REGISTERED NUMBER:05775751


**CONSOLIDATED BALANCE SHEET
AS AT 28 FEBRUARY 2017**

	Note	28 February 2017 £	29 February 2016 £
Fixed assets			
Tangible assets	10	535	30,023
Current assets			
Debtors: amounts falling due after more than one year	12	-	243,625
Debtors: amounts falling due within one year	12	324,102	30,774
Cash at bank and in hand	13	207,977	269,358
		<u>532,079</u>	<u>543,757</u>
Creditors: amounts falling due within one year	14	(2,065,971)	(1,205,449)
Net current liabilities		<u>(1,533,892)</u>	<u>(661,692)</u>
Net liabilities		<u>(1,533,357)</u>	<u>(631,669)</u>
Capital and reserves			
Called up share capital	16	48,090	48,090
Profit and loss account	17	(1,592,447)	(690,759)
Equity attributable to owners of the parent company		<u>(1,544,357)</u>	<u>(642,669)</u>
Non-controlling interests		11,000	11,000
		<u>(1,533,357)</u>	<u>(631,669)</u>

The financial statements were approved and authorised for issue by the sole director.

I S Cherkasov
Director

Date:


27/06/2017

**HERMITAGE CAPITAL
MANAGEMENT (UK) LIMITED**

REGISTERED NUMBER:05775751


**COMPANY BALANCE SHEET
AS AT 28 FEBRUARY 2017**

	Note	28 February 2017 £	29 February 2016 £
Fixed assets			
Investments	11	264,000	264,000
Current assets			
Debtors: amounts falling due after more than one year	12	137,500	381,125
Debtors: amounts falling due within one year	12	300,577	26,746
Cash at bank and in hand	13	30,685	93,259
		<u>468,762</u>	<u>501,130</u>
Creditors: amounts falling due within one year	14	(2,225,832)	(1,401,906)
Net current liabilities		(1,757,070)	(900,776)
Net liabilities		(1,493,070)	(636,776)
Capital and reserves			
Called up share capital	16	48,090	48,090
Profit and loss account	17	(1,541,160)	(684,866)
		<u>(1,493,070)</u>	<u>(636,776)</u>

The financial statements were approved and authorised for issue by the sole director.

I S Cherkasov
Director

Date:


27/06/2017

HERMITAGE CAPITAL MANAGEMENT (UK) LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 28 FEBRUARY 2017

	Called up share capital £	Profit and loss account £	Equity attributable to owners of parent company £	Non- controlling interests £	Total equity £
At 1 March 2015	48,090	1,354,310	1,402,400	11,000	1,413,400
Comprehensive income for the year					
Loss for the financial year	-	(2,045,069)	(2,045,069)	200,000	(1,845,069)
Payments made	-	-	-	(200,000)	(200,000)
At 1 March 2016	48,090	(690,759)	(642,669)	11,000	(631,669)
Comprehensive income for the year					
Loss for the financial year	-	(901,688)	(901,688)	200,000	(701,688)
Payments made	-	-	-	(200,000)	(200,000)
At 28 February 2017	48,090	(1,592,447)	(1,544,357)	11,000	(1,533,357)

HERMITAGE CAPITAL MANAGEMENT (UK) LIMITED

COMPANY STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 28 FEBRUARY 2017

	Called up share capital £	Profit and loss account £	Total equity £
At 1 March 2015	48,090	1,337,840	1,385,930
Comprehensive income for the year			
Loss for the financial year	-	(2,022,706)	(2,022,706)
At 1 March 2016	48,090	(684,866)	(636,776)
Comprehensive income for the year			
Loss for the financial year	-	(856,294)	(856,294)
At 28 February 2017	48,090	(1,541,160)	(1,493,070)

HERMITAGE CAPITAL MANAGEMENT (UK) LIMITED

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 28 FEBRUARY 2017

	28 February 2017 £	29 February 2016 £
Cash flows from operating activities		
Loss for the financial year	(701,688)	(1,845,069)
Adjustments for:		
Depreciation of tangible assets	29,488	32,617
Interest paid	10	-
Interest received	(143)	(247)
(Increase)/decrease in debtors	(49,703)	1,132,595
Increase in creditors	860,522	921,828
Net cash generated from operating activities	138,486	241,724
Cash flows from investing activities		
Interest received	143	247
Net cash from investing activities	143	247
Cash flows from financing activities		
Interest paid	(10)	-
Payments to non-controlling interests	(200,000)	(200,000)
Net cash used in financing activities	(200,010)	(200,000)
Net (decrease)/increase in cash and cash equivalents	(61,381)	41,971
Cash and cash equivalents at beginning of year	269,358	227,387
Cash and cash equivalents at the end of year	207,977	269,358
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	207,977	269,358

HERMITAGE CAPITAL MANAGEMENT (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2017

1. General information

The principal activity of the group is to provide research on investments and work on human rights campaigns.

The company is a private company limited by shares and is incorporated in England. The address of its registered office and principal place of business is The Aspect, 12 Finsbury Square, London, EC2A 1AS.

The financial statements are presented in Sterling (£).

2. Accounting policies

2.1 Basis of preparation of financial statements

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

Parent company disclosure exemptions

In preparing the separate financial statements of the parent company, advantage has been taken of the following disclosure exemptions available in FRS 102:

- No disclosures have been given for intra-group transactions;
- No statement of cash flows has been presented;
- Disclosures in respect of the parent company's financial instruments have not been presented as equivalent disclosures have been provided in respect of the group as a whole; and
- No disclosures have been given for the aggregate remuneration of the key management personnel of the parent company as their remuneration is included in the totals for the group as a whole.

The following principal accounting policies have been applied:

2.2 Basis of consolidation

The consolidated financial statements present the results of Hermitage Capital Management (UK) Limited and its subsidiary undertaking, Hermitage Capital LLP. Intercompany transactions and balances between group companies are therefore eliminated in full.

2.3 Going concern

After making enquiries, the director has a reasonable expectation that the company has adequate resources to continue in operational existence and meet its liabilities as they fall due for the foreseeable future, being a period of at least twelve months from the date these financial statements were approved. Accordingly, he continues to adopt the going concern basis in preparing the financial statements.

2.4 Revenue

Revenue in respect of investment advice is recognised in the period in which the services are provided. Revenue is recognised to the extent that it is probable that the economic benefits will flow to the group and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable.

HERMITAGE CAPITAL MANAGEMENT (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2017

2. Accounting policies (continued)

2.5 Tangible fixed assets

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

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives.

Depreciation is provided on the following basis:

Leasehold improvements	- straight line over the length of the lease
Fixtures and fittings	- 20% straight line
Office equipment	- 25% straight line

2.6 Operating leases

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

2.7 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.8 Financial instruments

Financial assets and financial liabilities are recognised when the group becomes party to the contractual provisions of the instrument.

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 deducting all of its liabilities.

The group's policies for its major classes of financial assets and financial liabilities are set out below.

Financial assets

Basic financial assets, including trade and other debtors, and amounts owed by group undertakings are initially recognised at transaction price, 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 for a similar debt instrument. Financing transactions are those in which payment is deferred beyond normal business terms or is financed at a rate of interest that is not a market rate.

Such assets are subsequently carried at amortised cost using the effective interest method, less any impairment.

HERMITAGE CAPITAL MANAGEMENT (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2017

2. Accounting policies (continued)

Financial liabilities

Basic financial liabilities, including trade and other creditors, and amounts owed to group undertakings are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument. Financing transactions are those in which payment is deferred beyond normal business terms or is financed at a rate of interest that is not a market rate.

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

Impairment of financial assets

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

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between the asset's carrying amount and the best estimate of the amount the group would receive for the asset if it were to be sold at the reporting date.

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

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets and financial liabilities

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) despite having retained some significant risks and rewards of ownership, control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

Offsetting of financial assets and financial liabilities

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is an 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.

Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

HERMITAGE CAPITAL MANAGEMENT (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2017

2. Accounting policies (continued)

Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

2.9 Foreign currency translation

Functional and presentation currency

The group's functional and presentational currency is Sterling (£).

Transactions and balances

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

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the consolidated profit and loss account within 'administrative expenses'.

2.10 Interest income

Interest income is recognised in the consolidated profit and loss account using the effective interest method.

HERMITAGE CAPITAL MANAGEMENT (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2017

2. Accounting policies (continued)

2.11 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the consolidated profit and loss account, except that a change 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.

Current tax is the amount of income tax payable in respect of taxable profit for the year or prior years.

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.

Deferred tax arises from timing differences that are differences between taxable profits and total comprehensive income as stated in the financial statements. These timing differences arise from the inclusion of income and expense in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax is 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; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

3. Turnover

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

	2017 £	2016 £
Investment advice	<u>7,586</u>	<u>47,676</u>

Analysis of turnover by country of destination:

	2017 £	2016 £
Rest of the world	<u>7,586</u>	<u>47,676</u>

4. Other operating income

	2017 £	2016 £
Cost recharges	<u>633,680</u>	<u>524,587</u>

HERMITAGE CAPITAL MANAGEMENT (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2017

5. Operating loss

The operating loss is stated after charging:

	2017 £	2016 £
Depreciation of tangible fixed assets	29,488	32,617
Fees payable to the group's auditor for the audit of the company's annual financial statements	9,000	9,000
Fees payable to the group's auditor for non-audit services	3,500	5,348
Operating leases	212,063	185,346

6. Employees

Staff costs were as follows:

	2017 £	2016 £
Wages and salaries	274,607	341,492
Social security costs	37,477	42,717
	312,084	384,209

Key management personnel remuneration

Key management personnel remuneration for the year was £200,000 (2016: £200,000).

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

	2017 No.	2016 No.
Operational	5	6
Management	2	2
	7	8

HERMITAGE CAPITAL MANAGEMENT (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2017

7. Interest receivable

	2017 £	2016 £
Other interest receivable	143	247

8. Taxation

Factors affecting tax charge for the year

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

	2017 £	2016 £
Loss on ordinary activities before tax	(701,688)	(1,845,069)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2016 - 20%)	(140,338)	(369,014)
Effects of:		
Expenses not deductible for tax purposes	85,182	299,129
Profits allocated to minority interest	(40,105)	(48,612)
Deferred tax not recognised	95,261	118,497
Total tax charge for the year	-	-

Factors that may affect future tax charges

The company and the group have estimated tax losses of £1,450,000 (2016: £920,000) available to carry forward against future trading profits.

There is a potential deferred tax asset of approximately £245,000 (2016: £165,000), which has not been recognised in the financial statements due to the uncertainty concerning the timescale as to its recoverability.

Changes to the UK corporation tax rates were substantively enacted as part of the Finance (No. 2) Act 2015 on 26 October 2015. These include reductions to the main rate to reduce the rate to 19% from 1 April 2017. A further reduction in the UK corporation tax rate to 17%, effective from 1 April 2020, was substantively enacted as part of the Finance (No. 2) Act 2016 on 6 September 2016. Potential deferred taxes at the balance sheet date have been measured using these enacted tax rates based on when the timing difference is expected to reverse and reflected in these financial statements.

HERMITAGE CAPITAL MANAGEMENT (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2017

9. Parent company loss for the year

The company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own profit and loss account in these financial statements. The loss after tax of the parent company for the year was £856,294 (2016 - loss £2,022,706)

10. Tangible fixed assets

Group

	Leasehold improvements £	Fixtures & fittings £	Office equipment £	Total £
Cost or valuation				
At 1 March 2016 and 28 February 2017	291,425	89,961	281,338	662,724
Depreciation				
At 1 March 2016	261,919	89,961	280,821	632,701
Charge for the year	28,971	-	517	29,488
At 28 February 2017	290,890	89,961	281,338	662,189
Net book value				
At 28 February 2017	535	-	-	535
At 29 February 2016	29,506	-	517	30,023

HERMITAGE CAPITAL MANAGEMENT (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2017

11. Fixed asset investments

Subsidiary undertaking

Details of the company's subsidiary undertaking are as follows:

Name	Class of shares	Holding	Principal activity
Hermitage Capital LLP	Members capital	96 %	Investment advice

Company

Investment
in
subsidiary
undertaking
£

Cost or valuation

At 1 March 2016 and 28 February 2017

264,000

Net book value

At 28 February 2017

264,000

At 29 February 2016

264,000

HERMITAGE CAPITAL MANAGEMENT (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2017

12. Debtors

	Group 28 February 2017 £	Group 29 February 2016 £	Company 28 February 2017 £	Company 29 February 2016 £
Due after more than one year				
Amounts owed by group undertakings	-	-	137,500	137,500
Other debtors	-	243,625	-	243,625
	<u>-</u>	<u>243,625</u>	<u>137,500</u>	<u>381,125</u>
Due within one year				
Other debtors	324,102	26,389	300,577	22,361
Prepayments and accrued income	-	4,385	-	4,385
	<u>324,102</u>	<u>30,774</u>	<u>300,577</u>	<u>26,746</u>

13. Cash and cash equivalents

	Group 28 February 2017 £	Group 29 February 2016 £	Company 28 February 2017 £	Company 29 February 2016 £
Cash at bank and in hand	<u>207,977</u>	<u>269,358</u>	<u>30,685</u>	<u>93,259</u>

14. Creditors: Amounts falling due within one year

	Group 28 February 2017 £	Group 29 February 2016 £	Company 28 February 2017 £	Company 29 February 2016 £
Amounts owed to group undertakings	1,975,325	1,169,929	2,169,339	1,374,421
Taxation and social security	-	35	-	-
Other creditors	57,646	13,485	43,493	13,485
Accruals and deferred income	33,000	22,000	13,000	14,000
	<u>2,065,971</u>	<u>1,205,449</u>	<u>2,225,832</u>	<u>1,401,906</u>

HERMITAGE CAPITAL MANAGEMENT (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2017

15. Financial instruments

	Group 28 February 2017 £	Group 29 February 2016 £
Financial assets		
Financial assets that are debt instruments measured at amortised cost	<u>324,102</u>	<u>270,014</u>
Financial liabilities		
Financial liabilities measured at amortised cost	<u>2,032,971</u>	<u>1,183,414</u>

Financial assets measured at amortised cost comprise of other debtors.

Financial liabilities measured at amortised cost comprise amounts owed to group undertakings and other creditors.

16. Share capital

	28 February 2017 £	29 February 2016 £
Shares classified as equity		
Allotted, called up and fully paid		
48,090 Ordinary shares of £1 each	<u>48,090</u>	<u>48,090</u>

17. Reserves

Profit & loss account

The profit and loss account includes all current and prior period retained profits and losses.

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18. Commitments under operating leases

At 28 February 2017 the group and the company had future minimum lease payments under non-cancellable operating leases as follows:

	Group 28 February 2017 £	Group 29 February 2016 £	Company 28 February 2017 £	Company 29 February 2016 £
Not later than 1 year	42,952	213,464	42,952	213,464
Later than 1 year and not later than 5 years	531,440	33,600	531,440	33,600
Later than 5 years	649,740	-	649,740	-
	<u>1,224,132</u>	<u>247,064</u>	<u>1,224,132</u>	<u>247,064</u>

19. Related party transactions

The company has taken advantage of the exemption contained in FRS 102 section 33 "Related Party Disclosures" from disclosing transactions with entities which are a wholly owned part of the group.

Transactions with other related parties are as follows:

Name (relationship)	Transaction	Amount		Amount due (to)/from related parties	
		2017 £	2016 £	2017 £	2016 £
Hermitage Entertainment Limited	Recharges	182,047	66,033	1,342,323	1,160,276
(common control)	Bad debt provision	182,047	1,160,276	(1,342,323)	(1,160,276)

20. Parent undertaking and controlling party

The parent company of the only group of undertakings of which the company is a member is Starcliff S.A., a company incorporated in the British Virgin Islands. Group financial statements are not prepared.

In the opinion of the directors the ultimate controlling party is W Browder.