

**Report of the Directors and  
Financial Statements for the sixteen months to 30 November 2013**

**For**

**Ducat Ventures Plc**  
**(Formerly Ceres Media International Plc)**

**Ducat Ventures Plc**  
**(Formerly Ceres Media International Plc)**

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**Ducat Ventures Plc**  
**(Formerly Ceres Media International Plc)**

**Company Information**

**For the sixteen months to 30 November 2013**

<b>Directors:</b>	A Reynolds N C P Nelson
<b>Secretary:</b>	International Registrars Limited
<b>Registered number:</b>	05880755 (England & Wales)
<b>Registered office:</b>	145-147 St John Street London EC1V 4PY
<b>Auditors:</b>	Jeffreys Henry LLP Finsgate 5-7 Cranwood Street London EC1V 9EE
<b>Nominated adviser:</b>	Cairn Financial Advisers LLP
<b>Broker:</b>	Peterhouse Corporate Financial Limited
<b>WEB Address:</b>	<a href="http://www.ducatventures.co.uk">www.ducatventures.co.uk</a>

**Ducat Ventures Plc**  
**(Formerly Ceres Media International Plc)**

**Chairman's Statement**

**For the sixteen months to 30 November 2013**

I have pleasure in delivering the Report and Accounts for the 16 month period from 1 August 2012 to 30 November 2013.

My fellow director, Nicholas Nelson and I were appointed as directors of Ducat Ventures Plc ("Company") following the General Meeting of the Company held on 18 November 2013 at which shareholders approved, *inter alia* the disposal of the Company's trading activities and a placing which raised proceeds of £285,000 (the "Placing").

Leslie Barber, Alex Dowdeswell and Clive Garston, the former directors of the Company resigned on 18 November 2013.

The Company therefore no longer has any trading activities and is classified as an "Investing Company" pursuant to the AIM Rules. The Company's investing policy is to invest in opportunities within a range of high growth sectors such as natural resources, technology and life sciences.

The board has already identified a number of investment candidates and is performing early stage due diligence. The board is keen to build shareholder value.

The Company also announced today that it has posted a circular to shareholders setting out the terms of an open offer to raise up to £81,352 at a price of 0.004 pence per share. The open offer is being made to shareholders on the register as at 18 November 2013. The rationale for the open offer is to allow the then existing shareholders to invest on terms similar to those in the Placing.

**A Reynolds**

**30 January 2014**

# **Ducat Ventures Plc** **(Formerly Ceres Media International Plc)**

## **Directors' Report**

### **For the sixteen months to 30 November 2013**

The Directors present their report and the audited financial statements of the company for the sixteen months to 30 November 2013.

#### **PRINCIPAL ACTIVITY**

The principal activity of the company in the period under review was that of an investment holding company. The company changed its name to Ducat Ventures Plc on 27 November 2013.

#### **REVIEW OF BUSINESS**

The company remains quoted on the AIM market of the London Stock Exchange. The directors will use their experience to identify appropriate targets, carry out due diligence and negotiate acquisitions and investments.

The company's results are presented on page 10.

#### **INVESTING POLICY**

The following revised investment policy required by AIM Rule 15 was adopted on 18 November 2013:

The company's proposed investing policy is it will either acquire or invest in a business or businesses which have some or all of the following characteristics:

- \* strong management with a proven track record;
- \* ready for investment without the need for material re-structuring by the company;
- \* generating positive cash flows or imminently likely to do so;
- \* via an injection of new finances or specialist management, the company can enhance the prospects and therefore the future value of the investment;
- \* able to benefit from the proposed directors existing network of contacts; and
- \* the potential to deliver significant returns for the company.

The company will focus on opportunities within a range of high growth sectors worldwide such as natural resources, technology and life sciences.

Moreover, the criteria set out above are not intended to be exhaustive and the directors may make an investment which does not fulfil any or all of the investment criteria if they believe it is in the best interests of shareholders as a whole.

Whilst the directors will be principally focused on making an investment in private businesses, they would not rule out investment in listed businesses if this presents, in their judgment, the best opportunity for shareholders.

The company intends to be an active investor in situations where the company can make a clear contribution to the progress and development of the investment. In respect of other, more substantial investment opportunities, the directors expect that the company will be more of a passive investor.

**Ducat Ventures Plc**  
**(Formerly Ceres Media International Plc)**

**Directors' Report (Continued...)**

**For the sixteen months to 30 November 2013**

The directors believe that their broad collective experience together with their extensive network of contacts will assist them in the identification, evaluation and funding of appropriate investment opportunities. When necessary, other external professionals will be engaged to assist in the due diligence on prospective targets and their management teams. The directors will also consider appointing additional directors with relevant experience if required.

There will be no limit on the number of projects into which the company may invest, and the company's financial resources may be invested in a number of propositions or in just one investment, which may be deemed to be a reverse takeover pursuant to Rule 14 of the AIM Rules. Where the company builds a portfolio of related assets it is possible that there may be cross-holdings between such assets. The company does not currently intend to fund any investments with debt or other borrowings but may do so if appropriate.

Investments may be made in all types of assets and there will be no investment restrictions.

The company's primary objective is that of securing for the shareholders the best possible value consistent with achieving, over time, both capital growth and income for shareholders through developing profitability coupled with dividend payments on a sustainable basis.

**PRINCIPAL RISKS AND UNCERTAINTIES FACING THE COMPANY**

The directors constantly monitor the financial risks and uncertainties facing the company with particular reference to the exposure of credit risk and liquidity risk. They are confident that suitable policies are in place and that all material financial risks have been considered. The financial risk management objectives and policies can be found within note 18 of the financial statements.

**KEY PERFORMANCE INDICATORS**

Given the straightforward nature of the business at this time, the company's directors are of the opinion that analysis using KPI's is not necessary for an understanding of the development, performance or position of the business. The directors will look to introduce suitable KPI's following any acquisition.

**DIVIDENDS**

No dividends will be distributed for the period ended 30 November 2013.

**FUTURE DEVELOPMENTS**

The directors continue to look for potential investment opportunities and they will keep investors informed of developments.

**Ducat Ventures Plc**  
**(Formerly Ceres Media International Plc)**

**Director's Report and Strategic Review (Continued...)**

**For the sixteen months to 30 November 2013**

**DIRECTORS**

The directors who served the company during the year and up to the date of this report were as follows:

**Executive Directors**

L Barber	Resigned 18 November 2013
A Dowdeswell	Resigned 18 November 2013
A Reynolds – Executive Chairman	Appointed 18 November 2013

**Non-executive Directors**

NCP Nelson	Appointed 18 November 2013
C Garston	Resigned 18 November 2013

**Directors' Remuneration**

The directors are entitled to receive relevant fees, as detailed in the directors' remuneration in Note 4.

**Directors and their interests**

The directors of the company held the following beneficial interests in the shares and share options of Ducat Ventures Plc at 30 November 2013 and at the date of this report:

	Issued Share Capital		Share Warrants	
	Ordinary shares of £0.0001 each	Percentage Held	Ordinary shares of £0.0001 each	Warrant exercise price
A Reynolds	79,165,000	9%	62,500,000	£0.0004
NCP Nelson	54,170,000	6%	54,170,000	£0.0004

The share warrants held by the directors were granted on 18 November 2013 and are exercisable at £0.0004 at any time up to 17 November 2016.

**SUBSTANTIAL SHAREHOLDINGS**

Substantial shareholdings include directors as at 21 January 2014 were as follows:

	<b>% of shares issued</b>
Fitel Nominees Limited	25.56
Smith & Williamson Nominees Limited	14.74
Xcap Nominees Limited	10.64
W B Nominees Limited	9.36
J M Finn Nominees Limited	7.37
Jim Nominees Limited	4.62
Rock Nominees Limited	4.43
Winterflood Securities Limited	3.58
Pershing Nominees Limited	3.29
Barnard Nominees Limited	3.24

**COMPANY'S POLICY ON PAYMENT OF CREDITORS**

It is the policy to pay all creditors within a reasonable timescale as and when they become due. The number of day's purchases outstanding for payment by the company at the year-end was 174 days (2012: 48 days).

# **Ducat Ventures Plc** **(Formerly Ceres Media International Plc)**

## **Directors' Report**

**For the sixteen months to 30 November 2013**

### **FINANCIAL INSTRUMENTS**

The company's exposure to financial risk is set out in note 18 to the accounts.

### **EVENTS AFTER THE REPORTING PERIOD**

Refer to note 19 to the financial statements for further details.

### **PUBLICATION OF ACCOUNTS ON COMPANY WEBSITE**

Financial statements are published on the company's website. The maintenance and integrity of the website is the responsibility of the directors. The directors' responsibilities also extend to the financial statements contained therein.

### **GOING CONCERN**

The financial statements have been prepared on the assumption that the company is a going concern. When assessing the foreseeable future, the directors have looked at the budget for the next 12 months from the date of this report, the cash at bank available as at the date of approval of this report and the open offer to raise £81,352 through the issue of 203,380,942 ordinary shares, and are satisfied that the company should be able to cover its quote maintenance cost and other administrative expenses.

After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt a going concern basis in preparing the annual report and financial statements.

### **STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable laws and regulations.

Company law requires the directors to prepare financial statements for each financial period. Under that law the directors have, as required by the AIM Rules for Companies of the London Stock Exchange, elected to prepare financial statements in accordance with International Financial Reporting Standards (IFRS) as adopted for use in the European Union. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the company will continue in business.

The directors confirm that the financial statements comply with the above requirements.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are 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.

**Ducat Ventures Plc**  
**(Formerly Ceres Media International Plc)**

**Director's Report**

**For the sixteen months to 30 November 2013**

**STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditor is unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditor is aware of the information.

**AUDITOR**

Jeffreys Henry LLP will be proposed for re-appointment as auditors at the forthcoming Annual General Meeting.

**ON BEHALF OF THE BOARD**

A handwritten signature in black ink that reads "Nicholas Nelson". The signature is written in a cursive style and is positioned above a faint, rectangular stamp or watermark.

**NCP NELSON**

30 January 2014

# **Independent Auditor's Report to The Members of Ducat Ventures Plc**

## **For the sixteen months to 30 November 2013**

We have audited the financial statements Ducat Ventures PLC for the period ended 30 November 2013 which comprise Statements of Financial Position, Statement of Comprehensive Income, Statement of Cash Flows, Statements of Changes in Equity and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union and is applied in accordance with the provisions of the Companies Act 2006.

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.

### **Respective responsibilities of Directors and Auditors**

As explained more fully in the Directors' Responsibilities Statement set out on page 6 the directors are 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 company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Chairman's Statement and Directors' Report to identify material inconsistencies with the audited financial statements. 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 company's affairs as at 30 November 2013 and of the Company's loss for the period then ended;
- the financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

### **Opinion on the other matters prescribed by the Companies Act 2006**

In our opinion the information given in the Directors' Report for the financial period for which the financial statements are prepared is consistent with the financial statements.

# **Independent Auditor's Report to The Members of Ducat Ventures Plc**

**For the sixteen months to 30 November 2013**

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

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 directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

30 January 2014

**Sanjay Parmar  
(Senior Statutory Auditor)**

**For and on behalf of Jeffrey's Henry LLP  
Chartered Accountants  
Registered Auditors**

**Finsgate  
5-7 Cranwood Street  
London  
EC1V 9EE**

**Ducat Ventures Plc**  
**(Formerly Ceres Media International Plc)**

**Statement of Comprehensive Income**

**For the sixteen months to 30 November 2013**

	Notes	Sixteen months ended 30 November 2013	Year ended 2012 £
<b>Continuing Operations</b>			
Revenue	3	-	-
Cost of sales		-	-
<b>GROSS LOSS</b>		-	-
Administrative expenses		(341,466)	(303,317)
<b>Operating loss</b>		(341,466)	(303,317)
<b>Non Operating Items</b>			
Impairment of investments		-	(3,716,466)
Impairment of intercompany loans		(1,394,265)	-
Loss on disposal of investments		(500,000)	-
Surplus arising on settlements with trade creditors	6	63,657	-
Finance costs	5	(2,172,074) (4,000)	(4,019,783) (6,054)
<b>Loss before Income tax</b>	6	(2,176,074)	(4,025,837)
Income tax	7	-	-
<b>Loss for the period</b>		(2,176,074)	(4,025,837)
<b>Other Comprehensive Income</b>		-	-
<b>Total comprehensive income for the period</b>		(2,176,074)	(4,025,837)
Total comprehensive income attributable to the company		(2,176,074)	(4,025,837)
<b>Loss per share</b>			
Basic & Diluted loss per share - pence	8	2.32p	10.69p

The notes on pages 15 to 27 form part of these financial statements

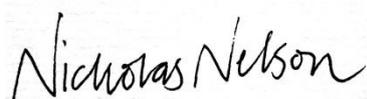
**Ducat Ventures Plc**  
**(Formerly Ceres Media International Plc)**

**Statement of Financial Position**

For the sixteen months to 30 November 2013

	Notes	30 November 2013 £	31 July 2012 £
<b>ASSETS</b>			
<b>Non-current assets</b>			
Investments	9	-	500,000
		<hr/>	<hr/>
		-	500,000
<b>CURRENT ASSETS</b>			
Trade and other receivables	10	301,267	1,257,976
Cash and cash equivalents	11	150	9
		<hr/>	<hr/>
		301,417	1,257,985
<b>TOTAL ASSETS</b>			
		<hr/> <hr/>	<hr/> <hr/>
		301,417	1,757,985
<b>EQUITY</b>			
<b>Shareholders' Equity</b>			
Called up share capital	12	5,722,248	5,574,070
Share premium	13	1,302,811	838,822
Share based payment reserve	13	27,200	27,200
Retained earnings	13	(6,956,307)	(4,780,233)
		<hr/>	<hr/>
<b>Total Equity</b>		95,952	1,659,859
		<hr/>	<hr/>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade and other payables	14	205,465	98,126
		<hr/>	<hr/>
<b>TOTAL LIABILITITES</b>		205,465	98,126
		<hr/>	<hr/>
<b>TOTAL EQUITY AND LIABILITIES</b>		301,417	1,757,985
		<hr/> <hr/>	<hr/> <hr/>

These financial statements were approved and authorised for issue by the Board of Directors on 30 January 2014 and were signed on its behalf by:



N C P Nelson  
**Director**  
**Company Registration no. 05880755**

The notes on pages 15 to 27 form part of these financial statements

**Ducat Ventures Plc**  
(Formerly Ceres Media International Plc)

**Company Statement of Changes in Equity**

For the sixteen months to 30 November 2013

	Called up Share capital £	Retained Earnings £	Share Premium £	Share- based Payment reserve £	Total equity £
Balance at 1 August 2011	5,200,348	(754,396)	-	27,200	4,473,152
Loss for the period	-	(4,025,837)	-	-	(4,025,837)
Shares issued in the year:					
Issue of ordinary shares of 1p each at 18p	59,722	-	1,015,278	-	1,075,000
Share issue costs	-	-	(176,456)	-	(176,456)
Issue of ordinary shares of 1p each at par	210,000	-	-	-	210,000
Issue of ordinary share of 1p each for conversion of certain accrued Directors' remuneration and unpaid expenses	84,000	-	-	-	84,000
Issue of ordinary shares of 1p each to certain creditors	20,000	-	-	-	20,000
Balance at 31 July 2012	5,574,070	(4,780,233)	838,822	27,200	1,659,859
Loss for the period	-	(2,176,074)	-	-	(2,176,074)
Issue of shares	148,178	-	463,989	-	612,167
Balance at 30 November 2013	<u>5,722,248</u>	<u>(6,956,307)</u>	<u>1,302,811</u>	<u>27,200</u>	<u>95,952</u>

**The notes on pages 15 to 27 form part of these financial statements**

**Ducat Ventures Plc**  
**(Formerly Ceres Media International Plc)**

**Company Statement of Cash Flows**

**For the sixteen months to 30 November 2013**

	Notes	For the period 1 August 2012 to 30 November 2013 £	Year Ended 31 July 2012 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	(498,385)	(1,129,167)
Interest paid		(4,000)	(6,054)
Net cash outflow from operating activities		<u>(502,385)</u>	<u>(1,135,221)</u>
<b>Cash flows from financing activities</b>			
Share issues		502,526	1,108,544
Net cash inflow from financing activities		<u>502,526</u>	<u>1,108,544</u>
<b>Increase/(decrease) in cash and equivalents</b>		141	(26,677)
Cash and cash equivalents at beginning of year	2	9	26,686
Cash and cash equivalents at end of year	2	<u>150</u>	<u>9</u>

The notes on pages 15 to 27 form part of these financial statements

**Ducat Ventures Plc**  
**(Formerly Ceres Media International Plc)**

**Notes to the Statement of Cash Flows**

**For the sixteen months to 30 November 2013**

**1. Reconciliation of loss before income tax to cash generated from operations**

	<b>Sixteen months to 30 November 2013</b>	<b>Year ended 31 July 2012</b>
	<b>£</b>	<b>£</b>
Operating loss	(341,466)	(303,317)
(Increase)/decrease in trade and other receivables	(437,558)	(682,463)
(Decrease)/increase in trade and other payables	280,639	(143,387)
	<u>                    </u>	<u>                    </u>
Net cash outflow from operations	<u>(498,385)</u>	<u>(1,129,167)</u>

**2. Cash and Cash Equivalents**

**Sixteen months to 30 November 2013**

	<b>Sixteen months to 30 November 2013</b>	<b>Year ended 31 July 2012</b>
	<b>£</b>	<b>£</b>
Cash and cash equivalents	150	9
	<u>                    </u>	<u>                    </u>

**Period ended 31 July 2012**

	<b>Year ended 31 July 2012</b>	<b>Period ended 31 July 2011</b>
	<b>£</b>	<b>£</b>
Cash and cash equivalents	9	26,686
	<u>                    </u>	<u>                    </u>

**The notes on pages 15 to 27 form part of these financial statements**

# **Ducat Ventures Plc** **(Formerly Ceres Media International Plc)**

## **Notes to the Financial Statements**

### **For the sixteen months to 30 November 2013**

#### **1. General Information**

Ducat Ventures Plc is a company incorporated and domiciled in England and Wales. Details of the registered office, the officers and advisers to the company are presented on the company information page at the start of this report. The company's offices are in London. The company is listed on the AIM market of the London Stock Exchange (ticker: DUC.L).

On 18 November 2013 the company disposed of its subsidiaries and the principal activity of the company was that of a holding company.

#### **2. Accounting Policies**

##### **Statement of compliance**

The financial statements of Ducat Ventures Plc have been prepared in accordance with International Financial Reporting Standards (IFRSs), International Accounting Standards (IASs) and International Financial Reporting Interpretations Committee (IFRIC) interpretations (collectively 'IFRSs') as adopted for use in the European Union and as issued by the International Accounting Standards Board and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS.

##### **a) New and amended standards adopted by the Company**

Amendment to IAS 1 – Presentation of items of other comprehensive income has been adopted.

There are no other IFRSs or IFRIC interpretations that are effective for the first time in this financial period that would be expected to have a material impact on the Company.

##### **b) New Standards, amendments and interpretations issued but not effective**

There are no IFRSs or IFRIC interpretations that are not yet effective that would be expected to have a material impact on the Company.

##### **Basis of preparation**

The financial statements have been prepared under the historical cost convention.

The principal accounting policies are summarised below. They have all been applied consistently throughout the period under review.

##### **Going concern**

The financial statements have been prepared on the assumption that the company is a going concern. When assessing the foreseeable future, the directors have looked at the budget for the next 12 months from the date of this report, the cash at bank available as at the date of approval of this report and the open offer to raise £81,352 through the issue of 203,380,942 ordinary shares, and are satisfied that the company should be able to cover its quote maintenance costs and other administrative expenses.

After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt a going concern basis in preparing the annual report and financial statements.

# **Ducat Ventures Plc**

## **(Formerly Ceres Media International Plc)**

### **Notes to the Financial Statements**

#### **For the sixteen months to 30 November 2013**

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

##### **Taxation**

Income tax expense represents the sum of the tax currently payable and deferred tax.

##### **(i) Current tax**

Current taxes are based on the results shown in the financial statements and are calculated according to local tax rules using tax rates enacted or substantially enacted by the statement of financial position date.

Income tax is recognised in the income statement or in equity if it relates to items that are recognised in the same or a different period, directly in equity.

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities.

##### **(ii) Deferred tax**

Deferred tax is provided, using the liability method, on temporary differences at the statement of financial position date between the tax base of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences.

Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax assets and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carrying forward or unused tax assets and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax assets to be utilised. Conversely, previously unrecognised deferred tax assets are recognised to the extent that it is probable that sufficient taxable profit that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on the tax rates and tax laws that have been enacted or substantively enacted at the balance sheet date.

##### **Investments**

Investments in subsidiaries are held at cost less any impairment.

##### **Financial instruments**

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

# **Ducat Ventures Plc**

## **(Formerly Ceres Media International Plc)**

### **Notes to the Financial Statements**

#### **For the sixteen months to 30 November 2013**

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

##### **Trade and other receivables**

Trade and other receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Subsequent to the initial recognition, trade and receivables are measured at amortised cost less impairment losses for bad and doubtful debts, except where the receivables are interest-free loans made to related parties without any fixed repayment terms or the effect of discounting would be immaterial. In such cases, the receivables are stated at cost less impairment losses for bad and doubtful debts.

Impairment losses for bad and doubtful debts are measured as the difference between the carrying amount of financial asset and the estimated future cash flows, discounted where the effect of discounting is material.

##### **Cash and cash equivalents**

Cash and cash equivalents comprised of cash at bank and in hand.

##### **Fair values**

The carrying amounts of the financial assets and liabilities such as cash and cash equivalents, receivables and payables of the company at the statement of financial position date approximated their fair values, due to relatively short term nature of these financial instruments

##### **Trade and other payables**

Trade and other payables are initially recognised at fair value and thereafter stated in amortised cost, except where the payables are interest free loans made by related parties without any fixed repayment terms or the effect of discounting would be immaterial, in which case they are stated at cost.

##### **Impairment of non-financial assets**

At each statement of financial position date, the company reviews the carrying amounts of its investments to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs. An intangible asset with an indefinite useful life is tested for impairment annually and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately, unless the relevant asset is carried at a re-valued amount, in which case the impairment loss is treated as a revaluation decrease.

# **Ducat Ventures Plc** **(Formerly Ceres Media International Plc)**

## **Notes to the Financial Statements**

### **For the sixteen months to 30 November 2013**

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

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognised as income immediately, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

#### **Capital management**

Capital is made up of stated capital, premium and retained earnings. The objective of the company's capital management is to ensure that it maintains strong credit ratings and capital ratios. This will ensure that the business is correctly supported and shareholder value is maximised.

The company manages its capital structure through adjustments that are dependent on economic conditions. In order to maintain or adjust the capital structure, the company may choose to change or amend dividend payments to shareholders or issue new share capital to shareholders. There were no changes to the objectives, policies or processes during the period ended 30 November 2013.

#### **Equity instruments**

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs.

#### **Share-based compensation**

The fair value of the employee and suppliers services received in exchange for the grant of the options is recognised as an expense. The total amount to be expensed over the vesting year is determined by reference to the fair value of the options granted, excluding the impact of any non-market vesting conditions (for example, profitability and sales growth targets). Non-market vesting conditions are included in assumptions about the number of options that are expected to vest. At each statement of financial position date, the entity revises its estimates of the number of options that are expected to vest. It recognises the impact of the revision to original estimates, if any, in the income statement, with a corresponding adjustment to equity.

The proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and share premium when the options are exercised.

The fair value of share-based payments recognised in the income statement is measured by use of the Black Scholes model, which takes into account conditions attached to the vesting and exercise of the equity instruments. The expected life used in the model is adjusted; based on management's best estimate, for the effects of non-transferability, exercise restrictions and behavioural considerations. The share price volatility percentage factor used in the calculation is based on management's best estimate of future share price behaviour and is selected based on past experience, future expectations and benchmarked against peer companies in the industry.

#### **Critical accounting judgments and key sources of estimation uncertainty**

The preparation of the financial statements requires management to make estimates and assumptions concerning the future that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the dates of the financial statements and the reported amounts of revenues and expenses during the reporting periods.

**Ducat Ventures Plc**  
**(Formerly Ceres Media International Plc)**

**Notes to the Financial Statements**

**For the sixteen months to 30 November 2013**

**2. Accounting Policies (continued...)**

The resulting accounting estimates will, by definition, differ from the related actual results.

- **Share based payments**

The fair value of share based payments recognised in the income statement is measured by use of the Black Scholes model, which takes into account conditions attached to the vesting and exercise of the equity instruments. The expected life used in the model is adjusted; based on management's best estimate, for the effects of non-transferability, exercise restrictions and behavioural considerations. The share price volatility percentage factor used in the calculation is based on management's best estimate of future share price behaviour and is selected based on past experience, future expectations and benchmarked against peer companies in the industry.

- **Contingent consideration (Note 15)**

On 18 November 2013 the company disposed of its subsidiary Ceres Media Plc for a contingent consideration equal to certain percentages of all gross sales by Ceres Media Plc and its subsidiaries, for certain products, during the period of 24 months following the completion of the sale. The contingent consideration has been calculated based on the directors' best estimate of the Ceres Media Plc's future performance.

**3. Segmental Reporting**

As the company is a holding company with no current subsidiary there is no revenue to report for the period.

**4. Employees and Directors**

	<b>1 August 2012 to 30 November 2013</b>	<b>Year ended 31 July 2012</b>
	<b>£</b>	<b>£</b>
Wages and salaries	162,000	73,000
Social security costs	-	12,968
	<u>162,000</u>	<u>85,968</u>

	<b>1 August 2012 to 30 November 2013</b>	<b>Year ended 31 July 2012</b>
	<b>No.</b>	<b>No.</b>

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

Directors	<u>3</u>	<u>3</u>
-----------	----------	----------

	<b>1 August 2012 to 30 November 2013</b>	<b>Year ended 31 July 2012</b>
	<b>£</b>	<b>£</b>
Directors' remuneration	<u>162,000</u>	<u>73,000</u>

**Ducat Ventures Plc**  
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**Notes to the Financial Statements**

**For the sixteen months to 30 November 2013**

**4. Employees and Directors (continued...)**

**Directors' remuneration**

Details of emoluments received by Directors of the Company for the period ended 30 November 2013 in pounds sterling ("£") are as follows:

	Total £
A Dowdeswell	130,000
L Barber	15,000
C Garston	15,000
A Reynolds	1,000
N C P Nelson	1,000
<b>Total</b>	<b>162,000</b>

**5. Net Finance Costs**

	<b>1 August 2012 to 30 November 2013</b>	<b>Year ended 31 July 2012</b>
	£	£
Finance Costs:		
Bank Interest	-	674
Bank loan interest	4,000	5,380
	<u>4,000</u>	<u>6,054</u>

**6. Loss Before Income Tax**

	<b>1 August 2012 to 30 November 2013</b>	<b>Year ended 31 July 2012</b>
	£	£
The loss before income tax is stated after charging/(crediting):		
Auditor remuneration - audit fees	8,000	16,500
Surplus arising on settlements with trade creditors	(63,657)	-
	<u>8,000</u>	<u>16,500</u>

The surplus arising on settlements with trade creditors relates to the write-off of part of the balances due to certain creditors in the period as agreed with them.

**Ducat Ventures Plc**  
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**Notes to the Financial Statements**

**For the sixteen months to 30 November 2013**

**7. Income Tax**

Analysis of tax expense

No liability to UK corporation tax arose on ordinary activities for the sixteen months ended 30 November 2013 nor for the year ended 31 July 2012.

	<b>1 August 2012 to 30 November 2013</b>	<b>Year ended 31 July 2012</b>
	<b>£</b>	<b>£</b>
Loss on ordinary activities before income tax	(2,166,074)	(4,025,837)
Loss on ordinary activities multiplied by the standard rate of corporation tax in UK of 20% (2012 – 20%)	(433,215)	(805,167)
Effects of:		
Impairment of investments	-	743,293
Impairment of intercompany loans	278,873	-
Losses on disposal of investments	100,000	-
Unused tax losses carried forward	54,342	61,874
Tax expense	-	-

The Company has not provided deferred tax on the unused excess management expenses and capital losses carried forward due to the uncertainty of its recoverability in the future.

**8. Earnings per Share**

Basic earnings per share is calculated by dividing the earnings attributable shareholders by the weighted average number of ordinary shares outstanding during the period.

Reconciliations are set out below:

	<b>Earnings</b>	<b>2013 Weighted average Number of shares</b>	<b>Loss per-share</b>
	<b>£</b>	<b>£</b>	<b>Pence</b>
Basic and diluted EPS Earnings attributable to ordinary shareholders	(2,176,074)	93,832,112	2.32

	<b>Earnings</b>	<b>2012 Weighted average Number of shares</b>	<b>Loss per-share</b>
	<b>£</b>	<b>£</b>	<b>Pence</b>
Basic and diluted EPS Earnings attributable to ordinary shareholders	(4,025,837)	37,657,279	10.69

**Ducat Ventures Plc**  
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**Notes to the Financial Statements**

**For the sixteen months to 30 November 2013**

**8. Earnings per Share (Continued...)**

Basic and diluted earnings per share are the same, since where a loss is incurred the effect of outstanding share options and warrants is considered anti-dilutive and is ignored for the purpose of the loss per share calculation. As at 30 November 2013 there were 3,820,026 outstanding share options and 713,010,000 outstanding share warrants, both are potentially dilutive.

**9. Investments**

<b>Cost</b>	<b>Shares in group undertakings £</b>
At 1 August 2012	4,216,466
Disposal	(4,216,466)
	<hr/>
At 30 November 2013	-
	<hr/>
<b>Provisions</b>	
At 1 August 2012	3,716,466
Disposal	(3,716,466)
	<hr/>
At 30 November 2013	-
	<hr/>
<b>Net Book Value</b>	
At 30 November 2013	-
	<hr/> <hr/>
At 31 July 2012	500,000
	<hr/> <hr/>

**10. Trade and other Receivables**

<b>Current:</b>	<b>1 August 2012 to 30 November 2013 £</b>	<b>Year ended 31 July 2012 £</b>
Amounts owed by group undertakings	-	1,257,976
Other receivables	285,835	-
Prepayments and accrued income	15,432	-
	<hr/>	<hr/>
	301,267	1,257,976
	<hr/> <hr/>	<hr/> <hr/>

**11. Cash and Cash Equivalents**

	<b>1 August 2012 to 30 November 2013 £</b>	<b>Year ended 31 July 2012 £</b>
Bank accounts	150	9
	<hr/> <hr/>	<hr/> <hr/>

**Ducat Ventures Plc**  
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**Notes to the Financial Statements**

**For the sixteen months to 30 November 2013**

**12. Called Up Share Capital**

Issued share capital comprises:	<b>1 August 2012 to 30 November 2013</b>	<b>Year ended 31 July 2012</b>
	£	£
Ordinary shares of 1p each - 63,373,961	-	633,740
Ordinary shares of 0.01p - 895,237,295	89,524	-
Deferred shares of 19p each - 26,001,739	4,940,330	4,940,330
Deferred shares of 0.9p - 63,373,961	570,366	-
Deferred shares of 0.9p – 135,587,295	122,028	-
	<u>5,722,248</u>	<u>5,574,070</u>

On 14 March 2013, the issued ordinary shares of £0.01 each were reorganised in to 63,373,961 ordinary shares of £0.001 each and 63,373,961 deferred shares of £0.009 each.

On the same date 55,000,000 new ordinary shares of £0.001 each were issued at £0.005 each for cash and a further 7,013,334 ordinary shares of £0.001 each were issued at a price of £0.005 each to satisfy certain trade creditors.

On 2 August 2013 loans totalling £51,000 due to directors were discharged by the issue of 10,200,000 ordinary shares of £0.001 each.

On 18 November 2013 the issued ordinary shares of £0.001 each were reorganised into 135,587,295 ordinary shares of £0.0001 and 135,587,295 deferred shares of £0.0009 each. A further 712,500,000 ordinary shares of £0.0001 each were issued for cash at a price of £0.0004 each and 47,150,000 ordinary shares of £0.0001 each were issued at a price of £0.005 each in satisfaction of further directors' loans.

**13. Reserves**

	<b>Retained Earnings</b>	<b>Share Premium</b>	<b>Share Based Payment reserve</b>	<b>Totals</b>
	£	£	£	£
At 1 August 2012	(4,780,233)	838,822	27,200	(3,914,211)
Loss for the period	(2,176,074)	-	-	(2,176,074)
Issue of shares	-	463,989	-	463,989
	<u>(6,956,307)</u>	<u>1,302,811</u>	<u>27,200</u>	<u>(5,626,296)</u>

**Ducat Ventures Plc**  
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**Notes to the Financial Statements**

**For the sixteen months to 30 November 2013**

**14. Trade and other Payables**

<b>Current:</b>	<b>1 August 2012 To 30 November 2013 £</b>	<b>Year ended 31 July 2012 £</b>
Trade receivables	122,042	39,388
Other payables	23,793	-
Amounts owed to group undertakings	-	2
Contingent consideration (see note 15)	19,930	-
Accrued expenses	19,770	50,000
Directors' current accounts	-	8,736
	<u>185,535</u>	<u>98,126</u>
<b>Non-current:</b>		
Contingent consideration (see note 15)	19,930	-
	<u>19,930</u>	<u>-</u>
	<u>205,465</u>	<u>98,126</u>
<b>Total trade and other payables</b>	<b><u>205,465</u></b>	<b><u>98,126</u></b>

**15. Related Party Disclosures**

**Directors and shareholders of the Group**

During the period the company has issued 10,200,000 ordinary shares and 47,150,000 ordinary shares of £0.0001 at £0.005 each to the former directors to settle all their outstanding fees.

Included in the professional fees is a total £10,493 (2012: £43,684) paid to DAC Beachcroft LLP, a partnership in which Mr C Garston, a former director, is a consultant. This was discharged in December 2013.

During the period, Alexander Dowdeswell, a former director, waived £26,774 due to him.

On 18 November 2013, as agreed at the General meeting, Alexander Dowdeswell acquired the entire issued share capital of Ceres Media plc. The consideration (subject to a maximum amount of £375,000) is equal to certain percentages of all gross sales (excluding VAT) by Ceres Media plc and its subsidiaries, for certain products, during the period of 24 months following the completion of the sale. The contingent consideration has been calculated based on the Directors' best estimate of Ceres Media plc's future performance and included in the financial statements.

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**Notes to the Financial Statements**

**For the sixteen months to 30 November 2013**

**16. Ultimate Controlling Party**

No one shareholder has control of the company.

**17. Share Based payment Transactions**

**(i) Share option**

The company had introduced a share option programme to grant share options as an incentive for employees of the former subsidiaries.

Each share option converts into one ordinary share of the company on exercise. No amounts are paid or payable by the recipient on receipt of the option and the company has no legal obligation to repurchase or settle the options in cash. The options carry neither rights to dividends nor voting rights prior to the date on which the options are exercised. Options may be exercised at any time from the date of vesting to the date of expiry.

**Number of outstanding share options as at 30 November 2013:**

Date of grant	Granted	Exercised/ vested	Forfeits	At 30.11.13	Exercise price £	Exercise/ Vesting date	
						From	To
14.04.11	390,026	-	-	390,026	0.2214	14.04.11	05.05.14
18.06.12	3,430,000	-	-	3,430,000	0.0100	18.06.12	18.06.22
	<u>3,820,026</u>	-	-	<u>3,820,026</u>			

The share options outstanding at the period end had a weighted average remaining contractual life of 1,639 days (2012 – 2,126 days).

**(ii) Warrants**

- (a) On 21 June 2007 the company granted a warrant to subscribe for 8,500,000 ordinary shares at an exercise price of £0.01 per share in four years' time. The warrants vested on issue and consequently a charge of £27,000 was recognised in the Statement of Comprehensive Income. On 9 May 2011 the company consolidated its share capital and accordingly amended the terms of the warrant to 425,000 warrants at 20p and extended the life of the warrant to six years. There have been further no amendments to the terms of warrants subsequent to the conversion of shares on 26 August 2011. These lapsed as a result of the disposal of the subsidiaries on 18 November 2013.
- (b) At the General Meeting on 18 November 2013, 712,500,000 warrants to acquire ordinary shares of £0.0001 each at £0.0004, to the subscribers to the 712,500,000 new ordinary shares of £0.0001.
- (c) At the General Meeting on 18 November 2013, an open offer was made to the potential investors to subscribe for 203,380,942 new ordinary shares of £0.0001 each at £0.0001 each. On a 1:1 basis, warrants attach to any shares issued under the open offer convertible at any time to 30 November 2016 at £0.0004 per shares.

**Ducat Ventures Plc**  
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**Notes to the Financial Statements**

**For the sixteen months to 30 November 2013**

**17. Share Based payment Transactions (Continued...)**

No of warrants as at 30 November 2013:

Date of grant	Granted	Exercised/ Vested	Forfeits	At 30.11.13	Exercise price	Exercise/ Vesting date		
						£	From	To
09.05.11	425,000	-	-	425,000	0.2000	09.05.11	21.06.17	
09.05.11	85,000	-	-	85,000	0.2000	09.05.11	21.06.13	
18.11.13	712,500,000	-	-	712,500,000	0.0004	18.11.13	30.11.16	
	<u>713,010,000</u>	<u>-</u>	<u>-</u>	<u>713,010,000</u>				

**18. Financial Risk Management Objectives and Policies**

The company's financial instruments comprise cash balances and receivables and payables that arise directly from its operations.

The main risks the company faces are interest rate risk, credit risk, liquidity risk, capital risk and foreign currency risk.

The board regularly reviews and agrees policies for managing each of these risks. The company's policies for managing these risks are summarised below and have been applied throughout the period. The numerical disclosures exclude short-term debtors and their carrying amount is considered to be a reasonable approximation of their fair value.

**Interest risk**

The company is not exposed to significant interest rate risk as it has limited interest bearing liabilities at the year end.

**Credit risk**

The company trades only with recognised, credit worthy customers. All customers who wish to trade on credit are subject to credit verification checks. Customer balances are checked regularly to ensure that the risk of exposure to doubtful debts is minimised.

**Liquidity risk**

Liquidity risk is the risk that company will encounter difficulty in meeting these obligations associated with financial liabilities.

The responsibility for liquidity risks management rest with the Board of Directors, which has established appropriate liquidity risk management framework for the management of the company's short term and long-term funding risks management requirements.

During the period under review, the company has not utilised any borrowing facilities.

The company manages liquidity risks by maintaining adequate reserves and reserve borrowing facilities by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

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**Notes to the Financial Statements**

**For the sixteen months to 30 November 2013**

**18. Financial Risk Management Objectives and Policies (Continued...)**

**Capital risk**

The company's objectives when managing capital are to safeguard the ability to continue as a going concern in order to provide returns for shareholders and benefits to other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

**19. Post Balance Sheet Event**

As part of the reorganisation of the company as per the circular of 1 November 2013, approved in General Meeting on 18 November 2013, a further 203,380,942 ordinary shares of £0.0001 each were to be made available for offers for cash at £0.0004 per ordinary share.