

REGISTERED NUMBER: 01650495 (England and Wales)

**STRATEGIC REPORT, REPORT OF THE DIRECTORS AND**  
**AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2016**  
**FOR**  
**FIRST ASSET FINANCE PLC**

THURSDAY



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COMPANIES HOUSE

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**FOR THE YEAR ENDED 30 SEPTEMBER 2016**

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**FIRST ASSET FINANCE PLC**

**COMPANY INFORMATION**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2016**

**DIRECTORS:**

Mr S C Jones  
Mr M C Vodden  
Mr P Sherrington

**SECRETARY:**

Mr S C Jones

**REGISTERED OFFICE:**

Bentinck House  
3-8 Bolsover Street  
London  
W1W 6AB

**REGISTERED NUMBER:**

01650495 (England and Wales)

**SENIOR STATUTORY  
AUDITOR:**

Mandy White

**AUDITORS:**

TBW Accountancy Limited  
E3 The Premier Centre  
Abbey Park  
Romsey  
Hampshire  
SO51 9DG

**STRATEGIC REPORT**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2016**

The directors present their strategic report for the year ended 30 September 2016.

**REVIEW OF BUSINESS**

The directors are pleased with the results for the year in which the company saw commission income improving by over £60,000. This has enabled the company to reduce the management charge levied on First Asset Rental Limited from £160,000 to £90,000. The company remains profitable and it has made a dividend payment of £100,000 this year to its parent company, FAF Investments Limited.

The directors consider that the key financial performance indicators are levels of cash flow and net current ratio. Cash level has improved by over £112,248 as a result of cash generated from operating activities. The net current ratio is now 6.5 which, while it has declined from last year's level of 8.3, still puts the company in a very good liquidity position. The directors are confident that with their prudent management, the cash levels and net current ratio of the company will be maintained.

**PRINCIPAL RISKS AND UNCERTAINTIES**

The company's businesses operate in a competitive market that can be subject to rapid change. Its products and services are affected by changing customer behaviour. A change in the market, and the way equipment is financed could significantly affect the company's results. However, such change provides opportunities for the company to demonstrate its expertise and understanding of the complexity affecting the asset finance marketplace to provide the solution accordingly. Over the years the company has been able to maintain good relationships with their customers and suppliers which help improve long term business prospects.

**ON BEHALF OF THE BOARD:**



Director MR S E JONES

Date: 28/03/2017

**FIRST ASSET FINANCE PLC (REGISTERED NUMBER: 01650495)**

**REPORT OF THE DIRECTORS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2016**

The directors present their report with the financial statements of the company for the year ended 30 September 2016.

**PRINCIPAL ACTIVITY**

The principal activity of the company in the year under review was that of equipment leasing, receivables financing, structured finance and trading in assets for leasing.

**DIVIDENDS**

The total distribution of dividends for the year ended 30 September 2016 will be £100,000.

**FUTURE DEVELOPMENTS**

The directors aim to maintain the management policies which have resulted in the company's performance in recent years.

**DIRECTORS**

The directors shown below have held office during the whole of the period from 1 October 2015 to the date of this report.

Mr S C Jones  
Mr M C Vodden

Other changes in directors holding office are as follows:

Mr P Sherrington was appointed as a director after 30 September 2016 but prior to the date of this report.

**DISCLOSURE IN THE STRATEGIC REPORT**

A review of the business including the principal risks and uncertainties facing the company is described in the Strategic Report.

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the Strategic Report, the Report of the Directors and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 accounting 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and 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.

**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 auditors are 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 auditors are aware of that information.

**REPORT OF THE DIRECTORS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2016**

**AUDITORS**

The auditors, T B W, will be proposed for re-appointment at the forthcoming Annual General Meeting.

**ON BEHALF OF THE BOARD:**



.....  
Mr S C Jones - Director

Date: 28/03/2017 .....

## **REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF FIRST ASSET FINANCE PLC**

We have audited the financial statements of First Asset Finance PLC for the year ended 30 September 2016 on pages six to twenty one. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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 a Report of the Auditors 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 Statement of Directors' Responsibilities set out on page three, 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 Strategic Report and the Report of the Directors 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 company's affairs as at 30 September 2016 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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

In our opinion the information given in the Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

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



Mandy White (Senior Statutory Auditor)  
for and on behalf of TBW Accountancy Limited  
E3 The Premier Centre  
Abbey Park  
Romsey  
Hampshire  
SO51 9DG

Date: 28 March 2017

**FIRST ASSET FINANCE PLC (REGISTERED NUMBER: 01650495)**

**INCOME STATEMENT**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2016**

	Notes	2016 £	2015 £
<b>TURNOVER</b>		503,731	514,035
Cost of sales		<u>50,294</u>	<u>104,000</u>
<b>GROSS PROFIT</b>		453,437	410,035
Administrative expenses		<u>310,240</u>	<u>281,684</u>
<b>OPERATING PROFIT</b>	4	143,197	128,351
Sale of tangible fixed assets	5	<u>-</u>	<u>570,999</u>
		143,197	699,350
Interest receivable and similar income		<u>10</u>	<u>7</u>
<b>PROFIT BEFORE TAXATION</b>		143,207	699,357
Tax on profit	6	<u>32,447</u>	<u>29,917</u>
<b>PROFIT FOR THE FINANCIAL YEAR</b>		<u>110,760</u>	<u>669,440</u>

The notes form part of these financial statements



**FIRST ASSET FINANCE PLC (REGISTERED NUMBER: 01650495)**

**OTHER COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2016**

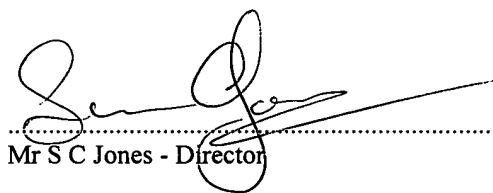
	Notes	2016 £	2015 £
PROFIT FOR THE YEAR		110,760	669,440
OTHER COMPREHENSIVE INCOME		<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>110,760</u>	<u>669,440</u>

The notes form part of these financial statements

**FIRST ASSET FINANCE PLC (REGISTERED NUMBER: 01650495)****BALANCE SHEET**  
**30 SEPTEMBER 2016**

	Notes	2016 £	2015 £
<b>FIXED ASSETS</b>			
Tangible assets	8	12,028	22,347
Investments	9	<u>9,908</u>	<u>5,250</u>
		21,936	27,597
<b>CURRENT ASSETS</b>			
Debtors	10	316,016	388,374
Prepayments and accrued income		17,396	19,532
Cash at bank and in hand		<u>199,653</u>	<u>87,225</u>
		533,065	495,131
<b>CREDITORS</b>			
Amounts falling due within one year	11	<u>81,831</u>	<u>59,622</u>
<b>NET CURRENT ASSETS</b>		<u>451,234</u>	<u>435,509</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		473,170	463,106
<b>PROVISIONS FOR LIABILITIES</b>	12	<u>1,467</u>	<u>2,163</u>
<b>NET ASSETS</b>		<u>471,703</u>	<u>460,943</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	13	50,002	50,002
Capital redemption reserve	14	60,000	60,000
Retained earnings	14	<u>361,701</u>	<u>350,941</u>
<b>SHAREHOLDERS' FUNDS</b>		<u>471,703</u>	<u>460,943</u>

The financial statements were approved by the Board of Directors on 28<sup>th</sup> Nov 2017 and were signed on its behalf by:

  
.....  
Mr S C Jones - Director

The notes form part of these financial statements

**FIRST ASSET FINANCE PLC (REGISTERED NUMBER: 01650495)**

**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2016**

	Called up share capital £	Retained earnings £	Capital redemption reserve £	Total equity £
<b>Balance at 1 October 2014</b>	50,002	329,501	60,000	439,503
<b>Changes in equity</b>				
Dividends	-	(648,000)	-	(648,000)
Total comprehensive income	-	669,440	-	669,440
<b>Balance at 30 September 2015</b>	<u>50,002</u>	<u>350,941</u>	<u>60,000</u>	<u>460,943</u>
<b>Changes in equity</b>				
Dividends	-	(100,000)	-	(100,000)
Total comprehensive income	-	110,760	-	110,760
<b>Balance at 30 September 2016</b>	<u>50,002</u>	<u>361,701</u>	<u>60,000</u>	<u>471,703</u>

The notes form part of these financial statements

**FIRST ASSET FINANCE PLC (REGISTERED NUMBER: 01650495)****CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2016**

	Notes	2016 £	2015 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	198,178	65,474
Tax paid		<u>(27,834)</u>	<u>(32,319)</u>
Net cash from operating activities		<u>170,344</u>	<u>33,155</u>
 <b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		-	(24,963)
Sale of tangible fixed assets		-	570,999
Interest received		<u>10</u>	<u>7</u>
Net cash from investing activities		<u>10</u>	<u>546,043</u>
 <b>Cash flows from financing activities</b>			
Movements in loans in the year		42,074	(56,378)
Equity dividends paid		<u>(100,000)</u>	<u>(648,000)</u>
Net cash from financing activities		<u>(57,926)</u>	<u>(704,378)</u>
 <b>Increase/(decrease) in cash and cash equivalents</b>		<u>112,428</u>	<u>(125,180)</u>
<b>Cash and cash equivalents at beginning of year</b>	2	<u>87,225</u>	<u>212,405</u>
 <b>Cash and cash equivalents at end of year</b>	2	<u><u>199,653</u></u>	<u><u>87,225</u></u>

The notes form part of these financial statements

**NOTES TO THE CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2016**

**1. RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS**

	2016	2015
	£	£
Profit before taxation	143,207	699,357
Depreciation charges	10,319	9,018
Profit on disposal of fixed assets	-	(570,999)
Provision on fixed asset investment	(4,658)	-
Finance income	(10)	(7)
	<u>148,858</u>	<u>137,369</u>
Decrease/(increase) in trade and other debtors	31,393	(74,073)
Increase in trade and other creditors	<u>17,927</u>	<u>2,178</u>
<b>Cash generated from operations</b>	<u><u>198,178</u></u>	<u><u>65,474</u></u>

**2. CASH AND CASH EQUIVALENTS**

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

**Year ended 30 September 2016**

	30.9.16	1.10.15
	£	£
Cash and cash equivalents	<u><u>199,653</u></u>	<u><u>87,225</u></u>

**Year ended 30 September 2015**

	30.9.15	1.10.14
	£	£
Cash and cash equivalents	<u><u>87,225</u></u>	<u><u>212,405</u></u>

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2016**

**1. STATUTORY INFORMATION**

First Asset Finance PLC is a private company, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

**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.

This is the first year in which the financial statements have been prepared under Financial Reporting Standard 102. The transition has not resulted in any adjustments to the accounts.

**Preparation of consolidated financial statements**

The financial statements contain information about First Asset Finance PLC as an individual company and do not contain consolidated financial information as the parent of a group. The company is exempt under Section 400 of the Companies Act 2006 from the requirements to prepare consolidated financial statements as it and its subsidiary undertakings are included by full consolidation in the consolidated financial statements of its parent, FAF Investments Limited, Bentinck House, 3-8 Bolsover Street, London W1W 6AB.

**Income recognition**

Fees and commissions are earned from services provided to clients. Fees and commissions earned on completion of a transaction is recognised when the event occurs. Fees and commissions that are provided over a period of time are recognised over the period in which the service is provided.

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Improvements to property	- Length of lease
Fixtures, fittings and equipment	- 20% on cost

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2016**

**2. ACCOUNTING POLICIES - continued**

**Taxation**

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date. The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences 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 profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised based on tax laws and rates that have been enacted or substantively enacted at the balance sheet date. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited in other comprehensive income, in which case the deferred tax is also dealt with in other comprehensive income.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

**Pension costs and other post-retirement benefits**

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

**Fixed asset investments**

Fixed asset investments are carried in the accounts at market value, with movements in the value recognised in the income statement

**3. EMPLOYEES AND DIRECTORS**

	2016	2015
	£	£
Wages and salaries	92,299	73,157
Social security costs	10,082	7,991
Other pension costs	<u>20,707</u>	<u>18,874</u>
	<u>123,088</u>	<u>100,022</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2016****3. EMPLOYEES AND DIRECTORS - continued**

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

	2016	2015
Management and marketing	2	2
Administration	<u>2</u>	<u>2</u>
	<u>4</u>	<u>4</u>

	2016	2015
	£	£
Directors' remuneration	<u>-</u>	<u>-</u>

The directors of the company are also the directors of Charkella Limited and MCV Limited. These companies invoice First Asset Finance Plc for commissions. During the year this amounted to £42,000 (2015 £104,000).

No pension contributions have been made by the company.

**4. OPERATING PROFIT**

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

	2016	2015
	£	£
Depreciation - owned assets	10,319	9,017
Auditors' remuneration	5,000	5,000
Taxation compliance services	1,000	1,000
Other non- audit services	5,336	6,315
Rent payable under operating lease	75,456	45,311
Management charge	<u>(90,000)</u>	<u>(160,000)</u>

**5. EXCEPTIONAL ITEMS**

	2016	2015
	£	£
Sale of tangible fixed assets	<u>-</u>	<u>570,999</u>

**6. TAXATION****Analysis of the tax charge**

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

	2016	2015
	£	£
Current tax:		
UK corporation tax	33,142	27,832
Deferred tax	<u>(695)</u>	<u>2,085</u>
Tax on profit	<u>32,447</u>	<u>29,917</u>



**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 30 SEPTEMBER 2016****6. TAXATION - continued****Reconciliation of total tax charge included in profit and loss**

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	2016 £	2015 £
Profit before tax	<u>143,207</u>	<u>699,357</u>
Profit multiplied by the standard rate of corporation tax in the UK of 20% (2015 - 20.172%)	28,641	141,074
Effects of:		
Expenses not deductible for tax purposes	3,432	2,598
Income not taxable for tax purposes	(932)	-
Capital allowances in excess of depreciation	-	(659)
Depreciation in excess of capital allowances	2,001	-
Utilisation of tax losses	-	(115,181)
Deferred tax movement	<u>(695)</u>	<u>2,085</u>
Total tax charge	<u>32,447</u>	<u>29,917</u>

**7. DIVIDENDS**

	2016 £	2015 £
Ordinary share shares of £1 each		
Final	<u>100,000</u>	<u>648,000</u>

**8. TANGIBLE FIXED ASSETS**

	Improvements to property £	Fixtures, fittings and equipment £	Totals £
<b>COST</b>			
At 1 October 2015	22,878	227,809	250,687
Disposals	<u>(9,818)</u>	<u>-</u>	<u>(9,818)</u>
At 30 September 2016	<u>13,060</u>	<u>227,809</u>	<u>240,869</u>
<b>DEPRECIATION</b>			
At 1 October 2015	13,083	215,257	228,340
Charge for year	6,530	3,789	10,319
Eliminated on disposal	<u>(9,818)</u>	<u>-</u>	<u>(9,818)</u>
At 30 September 2016	<u>9,795</u>	<u>219,046</u>	<u>228,841</u>
<b>NET BOOK VALUE</b>			
At 30 September 2016	<u>3,265</u>	<u>8,763</u>	<u>12,028</u>
At 30 September 2015	<u>9,795</u>	<u>12,552</u>	<u>22,347</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 30 SEPTEMBER 2016****9. FIXED ASSET INVESTMENTS**

	Shares in group undertakings £	Listed investments £	Totals £
<b>COST</b>			
At 1 October 2015			
and 30 September 2016	<u>90</u>	<u>35,000</u>	<u>35,090</u>
<b>PROVISIONS</b>			
At 1 October 2015	-	29,840	29,840
Provision for year	<u>-</u>	<u>(4,658)</u>	<u>(4,658)</u>
At 30 September 2016	<u>-</u>	<u>25,182</u>	<u>25,182</u>
<b>NET BOOK VALUE</b>			
At 30 September 2016	<u>90</u>	<u>9,818</u>	<u>9,908</u>
At 30 September 2015	<u>90</u>	<u>5,160</u>	<u>5,250</u>

The company's investments at the Balance Sheet date in the share capital of companies include the following:

**First Asset RV Limited**

Registered office:

Nature of business: procurement of leasing

	% holding	2016 £	2015 £
Class of shares:			
Ordinary shares	90.00		
Aggregate capital and reserves		2,595	2,752
Loss for the year		<u>(157)</u>	<u>(628)</u>

Listed investments of £9,818 represent the market value of a minority shareholding in Mitel Network Corporation, a Canadian corporation.

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

	2016 £	2015 £
Trade debtors	41,172	68,826
Amounts owed by group undertakings	198,315	215,819
Other debtors	15,369	16,972
Related company loans	<u>61,160</u>	<u>86,757</u>
	<u>316,016</u>	<u>388,374</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2016**

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

	2016	2015
	£	£
Trade creditors	13,664	12,140
Amounts owed to group undertakings	-	1,660
Corporation tax	33,140	27,832
Social security and other taxes	3,211	1,657
VAT	5,002	8,253
Other creditors	634	-
Directors' current accounts	2,680	2,680
Accruals and deferred income	<u>23,500</u>	<u>5,400</u>
	<u>81,831</u>	<u>59,622</u>

**12. PROVISIONS FOR LIABILITIES**

	2016	2015
	£	£
Deferred tax	<u>1,467</u>	<u>2,163</u>
		Deferred tax
		£
Balance at 1 October 2015		2,163
Credit to Income Statement during year		<u>(696)</u>
Balance at 30 September 2016		<u>1,467</u>

**13. CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:			2016	2015
Number:	Class:	Nominal value:	£	£
50,000	Ordinary share	£1	50,000	50,000
1	Ordinary A	£1	1	1
1	Ordinary B	£1	<u>1</u>	<u>1</u>
			<u>50,002</u>	<u>50,002</u>

**14. RESERVES**

	Retained earnings	Capital redemption reserve	Totals
	£	£	£
At 1 October 2015	350,941	60,000	410,941
Profit for the year	110,760		110,760
Dividends	<u>(100,000)</u>		<u>(100,000)</u>
At 30 September 2016	<u>361,701</u>	<u>60,000</u>	<u>421,701</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2016**

**15. LEASING AGREEMENTS**

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2016	2015
	£	£
Within one year	<u>37,728</u>	<u>-</u>

The minimum lease payments above represent the amount due on the lease of the office premises which expired on 1 April 2017. The lease has since been renewed for a period of 2 years at a total commitment of £194,600.

**16. ULTIMATE PARENT COMPANY**

FAF Investments Limited, which is incorporated in England and Wales, is the immediate and ultimate parent company.

At the year end the parent undertaking of the smallest and the largest group of undertakings for which group financial statements are drawn up and of which the company is a member is FAF Investments Limited.

Copies of the group financial statements of FAF Investments Limited are available at Companies House, Crown Way, Cardiff, CF14 3UZ.

**17. RELATED PARTY DISCLOSURES**

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

**Entities that provide key management personnel services to the entity**

	2016	2015
	£	£
Fees	42,000	104,000
Recharge of expenses	54,177	12,885
Amount due from related party	-	31,495
Amount due to related party	<u>674</u>	<u>-</u>

**Other related parties**

	2016	2015
	£	£
Loans	7,808	53,352
Amount due from related party	<u>61,160</u>	<u>53,352</u>

The controlling party is Mr S C Jones.

**18. FIRST YEAR ADOPTION**

The transition to FRS 102 has not resulted in any adjustments to the accounts.

**RECONCILIATION OF EQUITY**

**1 OCTOBER 2014**

**(DATE OF TRANSITION TO FRS 102)**

	Notes	UK GAAP £	Effect of transition to FRS 102 £	FRS 102 £
<b>FIXED ASSETS</b>				
Tangible assets		6,401	-	6,401
Investments		<u>5,250</u>	<u>-</u>	<u>5,250</u>
		<u>11,651</u>	<u>-</u>	<u>11,651</u>
<b>CURRENT ASSETS</b>				
Debtors		280,477	-	280,477
Prepayments and accrued income		17,987	-	17,987
Cash at bank and in hand		<u>212,405</u>	<u>-</u>	<u>212,405</u>
		<u>510,869</u>	<u>-</u>	<u>510,869</u>
<b>CREDITORS</b>				
Amounts falling due within one year		<u>(82,939)</u>	<u>-</u>	<u>(82,939)</u>
<b>NET CURRENT ASSETS</b>		<u>427,930</u>	<u>-</u>	<u>427,930</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		439,581	-	439,581
<b>PROVISIONS FOR LIABILITIES</b>		<u>(78)</u>	<u>-</u>	<u>(78)</u>
<b>NET ASSETS</b>		<u>439,503</u>	<u>-</u>	<u>439,503</u>
<b>CAPITAL AND RESERVES</b>				
Called up share capital		50,002	-	50,002
Share premium		60,000	-	60,000
Retained earnings		<u>329,501</u>	<u>-</u>	<u>329,501</u>
<b>SHAREHOLDERS' FUNDS</b>		<u>439,503</u>	<u>-</u>	<u>439,503</u>

**RECONCILIATION OF EQUITY - continued**  
**30 SEPTEMBER 2015**

	Notes	UK GAAP £	Effect of transition to FRS 102 £	FRS 102 £
<b>FIXED ASSETS</b>				
Tangible assets		22,347	-	22,347
Investments		<u>5,250</u>	<u>-</u>	<u>5,250</u>
		<u>27,597</u>	<u>-</u>	<u>27,597</u>
<b>CURRENT ASSETS</b>				
Debtors		388,374	-	388,374
Prepayments and accrued income		19,532	-	19,532
Cash at bank and in hand		<u>87,225</u>	<u>-</u>	<u>87,225</u>
		<u>495,131</u>	<u>-</u>	<u>495,131</u>
<b>CREDITORS</b>				
Amounts falling due within one year		<u>(59,622)</u>	<u>-</u>	<u>(59,622)</u>
<b>NET CURRENT ASSETS</b>		<u>435,509</u>	<u>-</u>	<u>435,509</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		463,106	-	463,106
<b>PROVISIONS FOR LIABILITIES</b>		<u>(2,163)</u>	<u>-</u>	<u>(2,163)</u>
<b>NET ASSETS</b>		<u>460,943</u>	<u>-</u>	<u>460,943</u>
<b>CAPITAL AND RESERVES</b>				
Called up share capital		50,002	-	50,002
Capital redemption reserve		60,000	-	60,000
Retained earnings		<u>350,941</u>	<u>-</u>	<u>350,941</u>
<b>SHAREHOLDERS' FUNDS</b>		<u>460,943</u>	<u>-</u>	<u>460,943</u>

**FIRST ASSET FINANCE PLC (REGISTERED NUMBER: 01650495)**

**RECONCILIATION OF PROFIT**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2015**

	<b>UK GAAP £</b>	<b>Effect of transition to FRS 102 £</b>	<b>FRS 102 £</b>
<b>TURNOVER</b>	514,035	-	514,035
Cost of sales	<u>(104,000)</u>	<u>-</u>	<u>(104,000)</u>
<b>GROSS PROFIT</b>	410,035	-	410,035
Administrative expenses	<u>(281,684)</u>	<u>-</u>	<u>(281,684)</u>
<b>OPERATING PROFIT</b>	128,351	-	128,351
Sale of tangible fixed assets	570,999	-	570,999
Interest receivable and similar income	<u>7</u>	<u>-</u>	<u>7</u>
<b>PROFIT BEFORE TAXATION</b>	699,357	-	699,357
Tax on profit	<u>(29,917)</u>	<u>-</u>	<u>(29,917)</u>
<b>PROFIT FOR THE FINANCIAL YEAR</b>	<u>669,440</u>	<u>-</u>	<u>669,440</u>

The notes form part of these financial statements