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Company Number 05453405

Farmont Baker Street Limited
Financial Statements
For the year ended 31st December 2011

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Farmont Baker Street Limited
Financial Statements
For the year ended 31st December 2011

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Farmont Baker Street Limited
Officers and Professional Advisers

The director	M Kurmanbayev
Registered office	219 Baker Street, London, NW1 6XE
Registered number	05453405
Auditor	Benjamin, Taylor & Co , Chartered Accountants & Statutory Auditor 201, Great Portland Street, London, W1W 5AB

Farmont Baker Street Limited

The Director's Report

For the year ended 31st December 2011

The director presents his report and the financial statements of the group for the year ended 31st December 2011

Principal activities

The principal activity of the group during the year was that of property investment, management and letting

Other matters

HM Revenue & Customs have raised an enquiry into the valuation of the property appropriated to Investment Property during the period ended 31st December 2009. At the date of these financial statements the outcome of the enquiry is still unknown. However, the directors are confident the property was valued correctly, and therefore no provision has been made for any additional tax payable.

Director

The director who served the company during the year was as follows

M Kurmanbayev

Director's responsibilities

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

Company law requires the director to prepare financial statements for each financial year. Under that law the director has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the director must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and the group and of the profit or loss of the group for that year. In preparing those financial statements, the director is required to

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- 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 group's and company's transactions and disclose with reasonable accuracy at any time the financial position of the group and enable him to ensure that the financial statements comply with the Companies Act 2006. He is also responsible for safeguarding the assets of the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Farmont Baker Street Limited
The Director's Report *(continued)*
For the year ended 31st December 2011

In so far as the director is aware

- there is no relevant audit information of which the group's auditor is unaware, and
- the director has taken all steps that he ought to have taken to make himself aware of any relevant audit information and to establish that the auditor is aware of that information

Auditor

Benjamin, Taylor & Co , are deemed to be re-appointed under section 487(2) of the Companies Act 2006

Small company provisions

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006

Signed by

X  X

M Kurmanbayev
Director

Approved by the director on 21st September 2012

**Independent Auditor's Report to the Shareholders of
Farmont Baker Street Limited**

For the year ended 31st December 2011

We have audited the group and parent company financial statements ("the financial statements") of Farmont Baker Street Limited for the year ended 31st December 2011. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the company's shareholders, 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 shareholders 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 shareholders 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 set out on pages 2 to 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 (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the APB's website at www.frc.org.uk/apb/scope/private.cfm

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the group's and parent company's affairs as at 31st December 2011 and of the group's profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, and
- have been prepared in accordance with the requirements of the Companies Act 2006

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the Director's Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

**Independent Auditor's Report to the Shareholders of
Farmont Baker Street Limited (continued)**

For the year ended 31st December 2011

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 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 prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the director's report

Jeffrey Diner (Senior Statutory Auditor)
For and on behalf of
Benjamin, Taylor & Co ,
Chartered Accountants
& Statutory Auditor
201, Great Portland Street,
London,
W1W 5AB

21st September 2012

Farmont Baker Street Limited
Profit and Loss Account
For the year ended 31st December 2011

	Note	2011 £	2010 £
Group Turnover		3,809,182	2,871,191
Cost of sales		<u>502,409</u>	<u>675,848</u>
Gross Profit		3,306,773	2,195,343
Administrative expenses		690,103	623,097
Other operating income	2	<u>(11,756)</u>	<u>(9,018)</u>
Operating Profit	3	2,628,426	1,581,264
Interest receivable		31	1
Profit on Ordinary Activities Before Taxation		<u>2,628,457</u>	<u>1,581,265</u>
Tax on profit on ordinary activities		643,267	356,242
Profit for the Financial Year	4	<u>1,985,190</u>	<u>1,225,023</u>

The company has taken advantage of section 408 of the Companies Act 2006 not to publish its own Profit and Loss Account

The notes on pages 9 to 14 form part of these financial statements

Farmont Baker Street Limited

Group Balance Sheet

As at 31st December 2011

	Note	£	2011 £	2010 £	£
Fixed Assets					
Tangible assets	5		102,435,862		102,441,769
Current Assets					
Debtors	7	198,942		318,006	
Cash at bank and in hand		2,467,608		775,724	
		2,666,550		1,093,730	
Creditors' Amounts Falling due Within One Year	8	74,001,736		74,420,013	
Net Current Liabilities			(71,335,186)		(73,326,283)
Total Assets Less Current Liabilities			31,100,676		29,115,486
Capital and Reserves					
Called-up equity share capital	11		2		2
Revaluation reserve	12		34,425,000		34,425,000
Profit and loss account	12		(3,324,326)		(5,309,516)
Shareholders' Funds			31,100,676		29,115,486

These financial statements have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006 and with the Financial Reporting Standard for Smaller Entities (effective April 2008)

These financial statements were approved and signed by the director and authorised for issue on 21st September 2012

M Kurmanbayev

X  X

Company Registration Number 05453405

The notes on pages 9 to 14 form part of these financial statements

Farmont Baker Street Limited

Balance Sheet

As at 31st December 2011

	Note	£	2011 £	2010 £	£
Fixed Assets					
Tangible assets	5		3,950,000		3,950,000
Investments	6		3		3
			<u>3,950,003</u>		<u>3,950,003</u>
Current Assets					
Debtors	7	97,135,423		97,153,487	
Cash at bank		49,315		10,499	
		<u>97,184,738</u>		<u>97,163,986</u>	
Creditors: Amounts Falling due Within One Year	8	<u>73,272,304</u>		<u>73,273,137</u>	
Net Current Assets			<u>23,912,434</u>		<u>23,890,849</u>
Total Assets Less Current Liabilities			<u>27,862,437</u>		<u>27,840,852</u>
Capital and Reserves					
Called-up equity share capital	11		2		2
Revaluation reserve	12		110,000		110,000
Profit and loss account	12		<u>27,752,435</u>		<u>27,730,850</u>
Shareholders' Funds			<u>27,862,437</u>		<u>27,840,852</u>

These financial statements have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006 and with the Financial Reporting Standard for Smaller Entities (effective April 2008)

These financial statements were approved and signed by the director and authorised for issue on 21st September 2012

M Kurmanbayev

X



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Company Registration Number 05453405

The notes on pages 9 to 14 form part of these financial statements

Farmont Baker Street Limited
Notes to the Financial Statements
For the year ended 31st December 2011

1. Accounting Policies

Basis of Accounting

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of certain fixed assets, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

Basis of Consolidation

The consolidated financial statements incorporate the financial statements of the company and all group undertakings. These are adjusted, where appropriate, to conform to group accounting policies. Acquisitions are accounted for under the acquisition method and goodwill on consolidation is capitalised and written off over five years from the year of acquisition. The results of companies acquired or disposed of are included in the profit and loss account after or up to the date that control passes respectively. As a consolidated profit and loss account is published, a separate profit and loss account for the parent company is omitted from the group financial statements by virtue of section 408 of the Companies Act 2006.

Related Parties Transactions

As the company is a holding company which prepares consolidated accounts that are publicly available, it has taken advantage of the exemptions contained in FRS 8 and has therefore not disclosed transactions or balances with entities which form part of the group.

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax.

Fixed Assets

All fixed assets are initially recorded at cost.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Fixtures & Fittings	- 25% Straight line
Motor Vehicles	- 25% Straight line
Equipment	- 25% Straight line

Farmont Baker Street Limited
Notes to the Financial Statements
For the year ended 31st December 2011

1. Accounting Policies (continued)

Investment Properties

Investment properties are shown at their open market value in accordance with FRSSE (effective April 2008). The surplus or deficit on revaluation is transferred to a revaluation reserve except where the deficit reduces the property permanently below its historical cost, in which case it is taken to the profit and loss account.

No depreciation is provided on investment properties which is a departure from the requirements of the Companies Act 2006. In the opinion of the director, these properties are held primarily for the investment potential and so their current value is of more significance than any measure of consumption and to depreciate them would not give a true and fair view. The provisions of the FRSSE (effective April 2008) in respect of investment properties have therefore been adopted in order to give a true and fair view.

Deferred Taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax, with the following exceptions:

Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold.

Deferred tax assets are recognised only to the extent that the director considers that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

2. Other Operating Income

	2011	2010
	£	£
Other operating income	<u>11,756</u>	<u>9,018</u>

Farmont Baker Street Limited
Notes to the Financial Statements
For the year ended 31st December 2011

3. Operating Profit

Operating profit is stated after charging

	2011 £	2010 £
Director's remuneration	98,873	73,650
Depreciation of owned fixed assets	5,907	5,604
Auditor's fees	<u>17,400</u>	<u>16,900</u>

4 Profit Attributable to Members of the Parent Company

The profit dealt with in the financial statements of the parent company was £21,585 (2010 – loss of £13,395)

5. Tangible Fixed Assets

Group	Investment property £	Fixtures and Fittings £	Motor Vehicles £	Equipment £	Total £
Cost or Valuation					
At 1 January 2011 and 31 December 2011	<u>102,425,000</u>	<u>2,968</u>	<u>12,500</u>	<u>8,165</u>	<u>102,448,633</u>
Depreciation					
At 1 January 2011	–	742	4,167	1,955	6,864
Charge for the year	–	741	3,125	2,041	5,907
At 31 December 2011	<u>–</u>	<u>1,483</u>	<u>7,292</u>	<u>3,996</u>	<u>12,771</u>
Net Book Value					
At 31 December 2011	<u>102,425,000</u>	<u>1,485</u>	<u>5,208</u>	<u>4,169</u>	<u>102,435,862</u>
At 31 December 2010	<u>102,425,000</u>	<u>2,226</u>	<u>8,333</u>	<u>6,210</u>	<u>102,441,769</u>

Company	Investment property £
Cost or Valuation	
At 1st January 2011 and 31st December 2011	<u>3,950,000</u>
Depreciation	
At 1st January 2011 and 31st December 2011	<u>–</u>
Net Book Value	
At 31st December 2011	<u>3,950,000</u>
At 31st December 2010	<u>3,950,000</u>

Farmont Baker Street Limited
Notes to the Financial Statements
For the year ended 31st December 2011

6 Investments

Company	Group companies £
Cost	
At 1st January 2011 and 31st December 2011	<u>3</u>
Net Book Value	
At 31st December 2011 and 31st December 2010	<u>3</u>

7. Debtors

	Group		Company	
	2011	2010	2011	2010
	£	£	£	£
Trade debtors	71,703	108,130	3,951	16,749
Amounts owed by group undertakings and undertakings in which the company has a participating interest	46,922	21,047	96,615,704	96,615,702
Other debtors	80,317	188,829	515,768	521,036
	<u>£198,942</u>	<u>£318,006</u>	<u>£97,135,423</u>	<u>£97,153,487</u>

The debtors above include the following amounts falling due after more than one year

	Group		Company	
	2011	2010	2011	2010
	£	£	£	£
Amounts owed by group undertakings	<u>-</u>	<u>-</u>	<u>96,615,704</u>	<u>96,615,702</u>

8. Creditors: Amounts Falling due Within One Year

	Group		Company	
	2011	2010	2011	2010
	£	£	£	£
Trade creditors	44,319	101,540	7,321	4,465
Amounts owed to group undertakings	72,796,326	73,226,696	73,188,151	73,227,243
Other creditors	401,007	271,750	50,959	2,817
Accruals and deferred income	760,084	820,027	25,873	38,612
	<u>£74,001,736</u>	<u>£74,420,013</u>	<u>£73,272,304</u>	<u>£73,273,137</u>

Farmont Baker Street Limited

Notes to the Financial Statements

For the year ended 31st December 2011

9. Other Matters

HM Revenue & Customs have raised an enquiry into the valuation of the property appropriated to Investment Property during the period ended 31st December 2009. At the date of these financial statements the outcome of the enquiry is still unknown. However, the directors are confident the property was valued correctly, and therefore no provision has been made for any additional tax payable.

10. Related Party Transactions

During the year the group had the following transactions with Greatex Limited and Farmont Investors Corp, companies which do not form part of the Farmont Baker Street Limited group of companies, but companies which also regard Greatex Trade & Investment Corp BVI a company incorporated in the British Virgin Islands as being their ultimate holding company and controlling party.

Greatex Limited

	2011	2010
	£	£
Balance brought forward	21,047	(10,808)
Monies received from Greatex Limited	25,875	31,855
Balance carried forward	<u>46,922</u>	<u>21,047</u>

During the year the group also had the following transactions with its parent company Farmont Investors Corp.

Farmont Investors Corp

	2011	2010
	£	£
Balance brought forward	(73,226,696)	(74,775,155)
Monies repaid by Farmont Baker Street Limited	430,370	1,548,459
Balance carried forward	<u>(72,796,326)</u>	<u>(73,226,696)</u>

The above loans are interest free and repayable on demand.

11. Share Capital

Authorised share capital:

	2011	2010
	£	£
2 Ordinary shares of £1 each	<u>2</u>	<u>2</u>

Farmont Baker Street Limited
Notes to the Financial Statements
For the year ended 31st December 2011

11. Share Capital (continued)

Allotted, called up and fully paid:

	2011		2010	
	No	£	No	£
2 Ordinary shares of £1 each	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>

12. Reserves

Group	Revaluation reserve £	Profit and loss account £
Balance brought forward	34,425,000	(5,309,516)
Profit for the year	—	1,985,190
Balance carried forward	<u>£34,425,000</u>	<u>£(3,324,326)</u>
Company	Revaluation reserve £	Profit and loss account £
Balance brought forward	110,000	27,730,850
Profit for the year	—	21,585
Balance carried forward	<u>£110,000</u>	<u>£27,752,435</u>

13 Ultimate Parent Company

The directors regard, Greatex Trade & Investment Corp BVI a company incorporated in the British Virgin Islands as being the ultimate holding company and controlling party