

Company Registration No. 05597877 (England and Wales)

FURNACE FARM LIMITED
ABBREVIATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2014

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FURNACE FARM LIMITED**ABBREVIATED BALANCE SHEET
AS AT 31 JANUARY 2014**

		2014		2013	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	2	7,324,276		7,306,504	
Current assets					
Stocks		233,600		98,722	
Debtors		84,994		23,545	
Cash at bank and in hand		2,865		2,359	
		<u>321,459</u>		<u>124,626</u>	
Creditors: amounts falling due within one year		<u>(834,879)</u>		<u>(631,621)</u>	
Net current liabilities		<u>(513,420)</u>		<u>(506,995)</u>	
Total assets less current liabilities		6,810,856		6,799,509	
Creditors: amounts falling due after more than one year		(6,045,096)		(4,969,122)	
Accruals and deferred income		<u>(3,187,154)</u>		<u>(3,162,066)</u>	
		<u>(2,421,394)</u>		<u>(1,331,679)</u>	
Capital and reserves					
Called up share capital	3	1		1	
Profit and loss account		<u>(2,421,395)</u>		<u>(1,331,680)</u>	
Shareholders' funds		<u>(2,421,394)</u>		<u>(1,331,679)</u>	

FURNACE FARM LIMITED

ABBREVIATED BALANCE SHEET (continued)
AS AT 31 JANUARY 2014

For the financial year ended 31 January 2014 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.


Directors' responsibilities:

- The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

These abbreviated financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The notes on pages 3 to 6 form part of these financial statements.

Approved by the Board for issue on

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Mr C Morton
Director

Company Registration No. 05597877

FURNACE FARM LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 JANUARY 2014

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The Company remains a going concern due to the ongoing financial support of the ultimate controlling party.

1.2 Turnover

Turnover represents amounts receivable for shop produce, restaurant sales, tea rooms and the cookery school net of VAT. Turnover is recognised when the customer takes receipt of the goods or at the point the service is delivered.

1.3 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Plant and machinery	15-25% straight line
Fixtures, fittings & equipment	15-25% straight line

1.4 Leasing

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

1.5 Stock

Stock is valued at the lower of cost and net realisable value.

1.6 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 exception.

Deferred tax assets are recognised only to the extent that the directors consider 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.

FURNACE FARM LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (continued) FOR THE YEAR ENDED 31 JANUARY 2014

1 Accounting policies

(continued)

1.7 Government grants

Grants are credited to deferred income. Grants towards capital expenditure are released to the profit and loss account over the expected useful life of the assets, consistent with the depreciation charge. Grants towards revenue expenditure are released to the profit and loss account as the related expenditure is incurred.

Income from grants is recognised when grant claims have been approved, being the date on which the Company has a right to receive the income.

2 Fixed assets

	Tangible assets £
Cost	
At 1 February 2013	7,606,725
Additions	349,035
Disposals	(2,524)
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At 31 January 2014	7,953,236
Depreciation	
At 1 February 2013	300,221
On disposals	(600)
Charge for the year	329,339
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At 31 January 2014	628,960
Net book value	
At 31 January 2014	7,324,276
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At 31 January 2013	7,306,504
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3 Share capital

	2014 £	2013 £
Allotted, called up and fully paid		
1 Ordinary of £1 each	<hr/> 1 <hr/>	<hr/> 1 <hr/>

4 Ultimate parent company

The ultimate controlling party is The Hon Michael McLaren QC.

FURNACE FARM LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (continued) FOR THE YEAR ENDED 31 JANUARY 2014

14 Related party relationships and transactions

Directors loans

At the year end the Company owed The Hon Michael McLaren QC, a director of the Company £5,497,109 (2013: £4,696,122). The maximum owed during the year was £5,497,109 (2013: £5,031,026). A breakdown of these amounts is set out below.

Description	% Rate	Opening Balance £	Amounts Advanced £	Interest Charged £	Amounts Repaid £	Closing Balance £
The Hon Michael McLaren QC	-	4,969,122	1,116,658	94,632	(183,303)	5,997,109
		<u>4,969,122</u>	<u>1,116,658</u>	<u>94,632</u>	<u>(183,303)</u>	<u>5,997,109</u>

Other transactions

During the year the Company entered into transactions with the 1990 Settlement, of which The Hon Michael McLaren is the settlor. At the year end the Company owed the 1990 Settlement £630,000 (2013: £nil).

During the year the Company entered into transactions with The Bodnant Estate Settlement, of which The Hon Michael McLaren and Mrs C McLaren are Trustees but not the beneficiaries. The amount included within debtors owing to the Company as at 31 January 2014 was £53 (2013: £441) with sales of £1,578 (2013: £2,063). The amount included within creditors owed by the Company as at 31 January 2014 was £123 (2013: £nil) with purchases of £7,914 (2013: £nil).

The Company entered into transactions with The Bodnant Estate which is owned by The Hon Michael McLaren. The amount included within debtors owing to the Company as at 31 January 2014 was £74 (2013: £601), with sales of £12,629 (2013: £6,826). The amount included within creditors owed by the Company as at 31 January 2014 was £1,768 (2013: £nil) with purchases of £23,936 (2013: £nil).

During the year the Company also entered into sale transactions of £1,272 (2013: £4,327) and purchases of £nil (2013: £4,395) from Mrs C McLaren, a Director of the Company. At 31 January 2014 there was a debtor due of £112 (2013: £1,698) and a creditor of £nil (2013: £5,084).

The Company entered into transactions with Bodnant Joinery Limited, a company under the control of The Hon Michael McLaren and Mrs C McLaren. The balance due within debtors as at 31 January 2014 was £nil (2013: £116) and within creditors was £nil (2013: £6,838), with sales of £nil (2013: £1,036) and purchases of £18,636 (2013: £35,980).

The Company used the services of Bodnant Garden Nursery Limited, of which The Hon M McLaren and Mrs C McLaren are Directors. The balance included within creditors owed to Bodnant Garden Nursery as at 31 January 2014 was £942 (2013: £46) with purchases of £9,287 (2013: £15,815). The amount included in debtors owing to the Company as at 31 January 2014 was £108 (2013: £nil) with sales of £114 (2013: £791).

FURNACE FARM LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (continued) FOR THE YEAR ENDED 31 JANUARY 2014

5 Related party relationships and transactions

(continued)

The Company also paid for services provided by Chris Morton Associates Limited a company which is controlled by Mr C Morton, a director of Furnace Farm Limited. This amounted to £56,333 (2013: £27,563). The balance owed as at 31 January 2014 was £5,200 (2013: £5,200).

During the year the Company also entered into sale transactions of £823 (2013: £nil) to Mr A McLaren, the son of The Hon M McLaren and Mrs C McLaren, Directors of the Company. At 31 January 2014 there was a debtor due of £50 (2013: £nil).

The Company used the services of the Lord Aberconway Will Trust, of which The Hon M McLaren is the beneficiary.

The balance included within creditors owed to the Lord Aberconway Will Trust as at 31 January 2014 was £1,479 (2013: £nil) with purchases of £1,305 (2013: £nil) and sales of £317 (2013: £nil).

During the year the Company also entered into sale transactions of £887 (2013: £nil) to Lady Aberconway, the mother of The Hon M McLaren. At 31 January 2014 there was a debtor due of £501 (2013: £nil).

The Company made sales of £346 (2013: £nil) to the Lady Aberconway A&M Settlement, of which the children of The Hon M McLaren and Mrs C McLaren are the beneficiary.