

Company registration number: 08260771

Farla Limited

Unaudited filleted financial statements

31 October 2019

Farla Limited

Contents

Directors and other information

Accountants report

Statement of financial position

Statement of changes in equity

Notes to the financial statements

Farla Limited

Directors and other information

Directors	Mr T A G Henderson
Secretary	Mrs E C Henderson
Company number	08260771
Registered office	First Floor, Shropshire House 179 Tottenham Court Road London W1T 7NZ
Accountants	Couch Bright King & Co Shropshire House 179 Tottenham Court Road London W1T 7NZ

Bankers

C Hoare & Co
37 Fleet Street
London
EC4P 4DQ

Farla Limited

Chartered accountants report to the board of directors on the preparation of the unaudited statutory financial statements of Farla Limited

Year ended 31 October 2019

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Farla Limited for the year ended 31 October 2019 which comprise the statement of financial position, statement of changes in equity and related notes from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales, we are subject to its ethical and other professional requirements which are detailed at <http://www.icaew.com/en/members/regulations-standards-and-guidance/>.

This report is made solely to the board of directors of Farla Limited, as a body, in accordance with the terms of our engagement letter. Our work has been undertaken solely to prepare for your approval the financial statements of Farla Limited and state those matters that we have agreed to state to the board of directors of Farla Limited as a body, in this report in accordance with the ICAEW Technical Release 07/16 AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Farla Limited and its board of directors as a body for our work or for this report.

It is your duty to ensure that Farla Limited has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and loss of Farla Limited. You consider that Farla Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the financial statements of Farla Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.

Couch Bright King & Co

Chartered Accountant

Shropshire House

179 Tottenham Court Road

London

W1T 7NZ

14 April 2020

Farla Limited

Statement of financial position

31 October 2019

	Note	2019 £	2018 £
Fixed assets			
Tangible assets	7	6,994	3,716
Investments	8	22,961,790	24,608,414
		<hr/>	<hr/>
		22,968,784	24,612,130
Current assets			
Debtors	9	-	2,100
Cash at bank and in hand		97,470	1,622,708
		<hr/>	<hr/>
		97,470	1,624,808
Creditors: amounts falling due within one year	10	(12,931,918)	(7,269,109)
		<hr/>	<hr/>
Net current liabilities		(12,834,448)	(5,644,301)
		<hr/>	<hr/>
Total assets less current liabilities		10,134,336	18,967,829
Creditors: amounts falling due after more than one year	11	-	(7,000,000)
Provisions for liabilities		-	(234,616)
		<hr/>	<hr/>
Net assets		10,134,336	11,733,213
		<hr/>	<hr/>
Capital and reserves			
Called up share capital		102,000	102,000
Fair value reserve		9,909,570	11,321,577
Profit and loss account		122,766	309,636
		<hr/>	<hr/>
Shareholders funds		10,134,336	11,733,213
		<hr/>	<hr/>

For the year ending 31 October 2019 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 financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In accordance with section 444 of the Companies Act 2006, the statement of comprehensive income has not been delivered.

These financial statements were approved by the board of directors and authorised for issue on 14 April 2020 , and are signed on behalf of the board by:

Mr T A G Henderson

Director

Company registration number: 08260771

Farla Limited

Statement of changes in equity

Year ended 31 October 2019

	Called up share capital £	Fair value reserve £	Profit and loss account £	Total £
At 1 November 2017	102,000	7,390,111	627,122	8,119,233
(Loss)/profit for the year			3,613,980	3,613,980
Other comprehensive income for the year:				
Reclassification from fair value reserve to profit and loss account		3,931,466	(3,931,466)	-
Total comprehensive income for the year	-	3,931,466	(317,486)	3,613,980
At 31 October 2018 and 1 November 2018	102,000	11,321,577	309,636	11,733,213
(Loss)/profit for the year			(1,598,877)	(1,598,877)
Other comprehensive income for the year:				
Reclassification from fair value reserve to profit and loss account		(1,412,007)	1,412,007	-
Total comprehensive income for the year	-	(1,412,007)	(186,870)	(1,598,877)
At 31 October 2019	102,000	9,909,570	122,766	10,134,336

Farla Limited

Notes to the financial statements

Year ended 31 October 2019

1. General information

The company is a private company limited by shares, registered in England & Wales. The address of the registered office is First Floor, Shropshire House, 179 Tottenham Court Road, London, W1T 7NZ.

2. Statement of compliance

These financial statements have been prepared in compliance with the provisions of FRS 102, Section 1A, 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities measured at fair value through profit or loss. The financial statements are prepared in sterling, which is the functional currency of the entity.

Judgements and key sources of estimation uncertainty

The carrying value of the unlisted investments are held at cost .

Turnover

Turnover is measured at the fair value of the consideration receivable for investments sold during the year.

Taxation

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in the statement of comprehensive income, except to the extent that it relates to items recognised in other comprehensive income or directly in capital and reserves. In this case, tax is recognised in other comprehensive income or directly in capital and reserves, respectively. Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Tangible assets

Tangible assets are initially recorded at cost, and is subsequently stated at cost less any accumulated depreciation and any accumulated impairment losses.

Depreciation

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

If there is an indication that there has been a significant change in depreciation rate, useful life or residual value of tangible assets, the depreciation is revised prospectively to reflect the new estimates .

Fixed asset investments

Fixed asset of investments consist of listed and unlisted investments. Unlisted investments for which there is no ready market are valued at cost less impairment and listed investments are measured at fair value with changes in fair value recognised in the profit and loss.

Impairment

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date. When it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

Provisions

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event; it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense. Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised in finance costs in profit or loss in the period it arises.

Financial instruments

A financial asset or a financial liability is recognised only when the company becomes a party to the contractual provisions of the instrument. Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument. Debt instruments are subsequently measured at amortised cost.

4. Turnover

The whole of the turnover is attributable to the principal activity of the company wholly undertaken in the United Kingdom.

5. Employee numbers

The average number of persons employed by the company during the year amounted to Nil (2018: Nil).

6. Directors remuneration

During the period there were no employees other than the Director. No salaries were paid to the Director during the period.

7. Tangible assets

	Fixtures, fittings and equipment £	Total £
Cost		
At 1 November 2018	17,472	17,472
Additions	6,774	6,774
At 31 October 2019	24,246	24,246
Depreciation		
At 1 November 2018	13,756	13,756
Charge for the year	3,496	3,496
At 31 October 2019	17,252	17,252
Carrying amount		
At 31 October 2019	6,994	6,994
At 31 October 2018	3,716	3,716

8. Investments

	Other investments other than loans £	Total £
Cost		
At 1 November 2018	24,608,414	24,608,414
Fair value adjustment	(1,646,624)	(1,646,624)
At 31 October 2019	22,961,790	22,961,790
Impairment		
At 1 November 2018 and 31 October 2019	-	-
Carrying amount		
At 31 October 2019	22,961,790	22,961,790
At 31 October 2018	24,608,414	24,608,414

Listed investments represent £20,345,400 (2018: £23,600,644) of the carrying amount as at 31st October 2019.

9. Debtors

	2019 £	2018 £
Other debtors	-	2,100

10. Creditors: amounts falling due within one year

	2019	2018
	£	£
Bank loans and overdrafts	7,000,000	-
Other creditors	5,931,918	7,269,109
	<u>12,931,918</u>	<u>7,269,109</u>

Included in other creditors are loans from Directors and immediate family members extended to Farla Limited on an unsecured basis with no interest payable and as there is no fixed date for repayment these loans have been treated as repayable on demand.

Bank Loans and overdrafts above consist of £5,500,000 bank borrowing at a fixed rate of 4.32% per annum secured on investments and is repayable in 5 years from September 2015 and a fixed rate £1,500,000 bank borrowing repayable in September 2020 at a rate of 4.15% per annum.

11. Creditors: amounts falling due after more than one year

	2019	2018
	£	£
Other creditors	-	7,000,000
	<u>-</u>	<u>7,000,000</u>

Others Creditors at 31st October 2018 above consist of £5,500,000 bank borrowing at a fixed rate of 4.32% per annum secured on investments and is repayable in 5 years from September 2015 and a fixed rate £1,500,000 bank borrowing repayable in September 2020 at a rate of 4.15% per annum.

12. Deferred tax

The deferred tax included in the statement of financial position is as follows:

	2019	2018
	£	£
Included in provisions (note)	-	234,616
	<u>-</u>	<u>234,616</u>

The deferred tax account consists of the tax effect of timing differences in respect of:

	2019	2018
	£	£
Unrealised Gains on Investments	-	234,616
	<u>-</u>	<u>234,616</u>

Deferred tax is provided on the unrealised gains on investments held at the balance sheet date net of available excess management expenses not utilised in the period.

13. Financial instruments at fair value

	2019	2018
	£	£
Financial assets measured at fair value through profit or loss		
Listed investments	20,345,400	23,600,664
Unlisted investments	2,616,391	1,007,750
	<u>22,961,791</u>	<u>24,608,414</u>

14. Contingent assets and liabilities

At 31st October 2019 there were no contingent liabilities.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.