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Company registration number: 08260771

**Farla Limited**

**Unaudited financial statements**

**31 October 2018**



## **Farla Limited**

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**Farla Limited**

**Directors and other information**

<b>Directors</b>	Mr T A G Henderson
<b>Secretary</b>	Mrs E C Henderson
<b>Company number</b>	08260771
<b>Registered office</b>	First Floor, Shropshire House 179 Tottenham Court Road London W1T 7NZ
<b>Accountants</b>	Couch Bright King & Co Shropshire House 179 Tottenham Court Road London W1T 7NZ
<b>Bankers</b>	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 2018**

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 2018 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 profit 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

25 June 2019

**Farla Limited**

**Statement of financial position  
31 October 2018**

	Note	2018 £	£	2017 £	£
<b>Fixed assets</b>					
Tangible assets	7	3,716		1,603	
Investments	8	24,608,414		21,979,321	
			<u>24,612,130</u>		<u>21,980,924</u>
<b>Current assets</b>					
Debtors	9	2,100		-	
Cash at bank and in hand		1,622,708		1,143,254	
		<u>1,624,808</u>		<u>1,143,254</u>	
<b>Creditors: amounts falling due within one year</b>	10	(7,269,109)		(8,425,028)	
<b>Net current liabilities</b>			<u>(5,644,301)</u>		<u>(7,281,774)</u>
<b>Total assets less current liabilities</b>			<u>18,967,829</u>		<u>14,699,150</u>
<b>Creditors: amounts falling due after more than one year</b>	11		(7,000,000)		(5,500,000)
<b>Provisions for liabilities</b>			(234,616)		(1,073,754)
<b>Net assets</b>			<u>11,733,213</u> =====		<u>8,125,396</u> =====
<b>Capital and reserves</b>					
Called up share capital			102,000		102,000
Fair value reserve			11,321,577		7,396,274
Profit and loss account			309,636		627,122
<b>Shareholders funds</b>			<u>11,733,213</u> =====		<u>8,125,396</u> =====

For the year ending 31 October 2018 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 notes on pages 6 to 10 form part of these financial statements.**

**Farla Limited**

**Statement of financial position (continued)**  
**31 October 2018**

- 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 <sup>25</sup> June 2019 and are signed on behalf of the board by:

Mr T A G Henderson  
Director



Company registration number: 08260771

**The notes on pages 6 to 10 form part of these financial statements.**

**Farla Limited**

**Statement of changes in equity  
Year ended 31 October 2018**

	Called up share capital £	Fair value reserve £	Profit and loss account £	Total £
<b>At 1 November 2016 (as previously reported)</b>	102,000	3,462,662	(1,230,888)	2,333,774
Prior period adjustments	-	(91,051)	91,051	-
<b>At 1 November 2016 (restated)</b>	102,000	3,371,611	(1,139,837)	2,333,774
Profit for the year			5,791,622	5,791,622
Other comprehensive income for the year:				
Reclassification from fair value reserve to profit and loss account		4,024,663	(4,024,663)	-
<b>Total comprehensive income for the year</b>	-	4,024,663	1,766,959	5,791,622
<b>At 31 October 2017 and 1 November 2017</b>	102,000	7,390,111	627,122	8,119,233
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)	-
<b>Total comprehensive income for the year</b>	-	3,931,466	(317,486)	3,613,980
<b>At 31 October 2018</b>	102,000	11,321,577	309,636	11,733,213

## **Farla Limited**

### **Notes to the financial statements Year ended 31 October 2018**

#### **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.



## **Farla Limited**

### **Notes to the financial statements (continued)** **Year ended 31 October 2018**

#### **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 (2017: 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.

Farla Limited

Notes to the financial statements (continued)  
Year ended 31 October 2018

7. Tangible assets

	Fixtures, fittings and equipment £	Total £
<b>Cost</b>		
At 1 November 2017	13,502	13,502
Additions	3,970	3,970
<b>At 31 October 2018</b>	<u>17,472</u>	<u>17,472</u>
<b>Depreciation</b>		
At 1 November 2017	11,899	11,899
Charge for the year	1,857	1,857
<b>At 31 October 2018</b>	<u>13,756</u>	<u>13,756</u>
<b>Carrying amount</b>		
<b>At 31 October 2018</b>	<u>3,716</u>	<u>3,716</u>
At 31 October 2017	<u>1,603</u>	<u>1,603</u>

8. Investments

	Other investments other than loans £	Total £
<b>Cost</b>		
At 1 November 2017	21,979,321	21,979,321
Additions	404,863	404,863
Disposals	(868,098)	(868,098)
Fair value adjustment	3,092,328	3,092,328
<b>At 31 October 2018</b>	<u>24,608,414</u>	<u>24,608,414</u>
<b>Impairment</b>		
<b>At 1 November 2017 and 31 October 2018</b>	<u>-</u>	<u>-</u>
<b>Carrying amount</b>		
<b>At 31 October 2018</b>	<u>24,608,414</u>	<u>24,608,414</u>
At 31 October 2017	<u>21,979,321</u>	<u>21,979,321</u>

Listed investments represent £23,600,664 (2017: £17,125,749) of the carrying amount as at 31st October 2018.

**Farla Limited**

**Notes to the financial statements (continued)**  
**Year ended 31 October 2018**

**9. Debtors**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Other debtors	2,100	-
	<u>          </u>	<u>          </u>

**10. Creditors: amounts falling due within one year**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Other creditors	7,269,109	8,425,028
	<u>          </u>	<u>          </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.

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

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Other creditors	7,000,000	5,500,000
	<u>          </u>	<u>          </u>

Others Creditors 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.

**Farla Limited**

**Notes to the financial statements (continued)**  
**Year ended 31 October 2018**

**12. Deferred tax**

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

	<b>2018</b>	2017
	<b>£</b>	£
Included in provisions	<u>234,616</u>	<u>1,073,754</u>

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

	<b>2018</b>	2017
	<b>£</b>	£
Unrealised Gains on Investments	<u>234,616</u>	<u>1,073,754</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**

	<b>2018</b>	2017
	<b>£</b>	£
<b>Financial assets measured at fair value through profit or loss</b>		
Listed investments	23,600,664	17,125,749
Unlisted investments	<u>1,007,750</u>	<u>4,853,573</u>
	<u>24,608,414</u>	<u>21,979,322</u>

**14. Contingent assets and liabilities**

At 31st October 2018 there were no contingent liabilities.