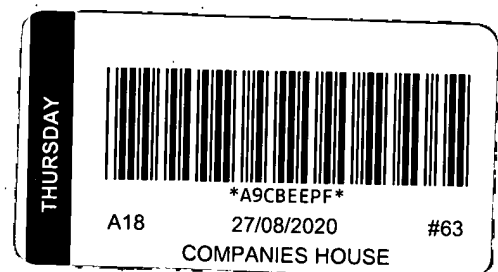

ARRAKIS COMMERCIAL ENTERPRISE LTD

UNAUDITED
FINANCIAL STATEMENTS
INFORMATION FOR FILING WITH THE REGISTRAR
FOR THE YEAR ENDED 31 AUGUST 2019



ARRAKIS COMMERCIAL ENTERPRISE LTD
REGISTERED NUMBER: 08518995

BALANCE SHEET
AS AT 31 AUGUST 2019

	Note	2019 £	2018 £
Fixed assets			
Tangible assets	4	734,141	734,141
		<u>734,141</u>	<u>734,141</u>
Current assets			
Debtors: amounts falling due within one year	5	-	4,718
Cash at bank and in hand	6	336	1,818
		<u>336</u>	<u>6,536</u>
Creditors: amounts falling due within one year	7	(444,025)	(255,493)
Net current liabilities		<u>(443,689)</u>	<u>(248,957)</u>
Total assets less current liabilities		<u>290,452</u>	<u>485,184</u>
Creditors: amounts falling due after more than one year	8	-	(192,500)
Net assets		<u><u>290,452</u></u>	<u><u>292,684</u></u>

ARRAKIS COMMERCIAL ENTERPRISE LTD
REGISTERED NUMBER: 08518995

BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2019

	Note	2019 £	2018 £
Capital and reserves			
Called up share capital		100	100
Profit and loss account		290,352	292,584
		<u>290,452</u>	<u>292,684</u>

The director considers that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

The director acknowledges his responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The Company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the income statement in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:



J J Raymond
Director

Date:

21.8.20

The notes on pages 3 to 8 form part of these financial statements.

ARRAKIS COMMERCIAL ENTERPRISE LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2019

1. General information

Arrakis Commercial Enterprise Limited is a private limited company, limited by shares and is registered in England and Wales. The company's registration number is 08518995 and the registered office address is Swinesleys Farm, Hatchet Lane, Brockenhurst, Hampshire, SO42 7WA.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

2.2 Going concern

The company has net current liabilities and is therefore currently reliant on the ongoing support of the director. This support has been confirmed for the foreseeable future including a period of at least one year from the signing of these accounts. The director is of the opinion that the pandemic referred to in note 11, is not expected to change the going concern status of the company. The director believes the company is a going concern and that it is correct to prepare the accounts on the going concern basis.

2.3 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

2.4 Interest income

Interest income is recognised in the Income Statement using the effective interest method.

ARRAKIS COMMERCIAL ENTERPRISE LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2019

2. Accounting policies (continued)

2.5 Taxation

Tax is recognised in the Income Statement, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance Sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

2.6 Investment property

Investment property is carried at fair value determined annually by external valuers and derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specific asset. No depreciation is provided. Changes in fair value are recognised in the Income Statement.

2.7 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.8 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.9 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

ARRAKIS COMMERCIAL ENTERPRISE LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

2. Accounting policies (continued)

2.10 Currency.

The Company's functional and presentational currency is GBP.

3. Employees

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

	2019 No.	2018 No.
Employees	<u>1</u>	<u>1</u>

4. Tangible fixed assets

	Investment property £
Cost or valuation	
At 1 September 2018	<u>734,141</u>
At 31 August 2019	<u>734,141</u>
Net book value	
At 31 August 2019	<u>734,141</u>
At 31 August 2018	<u>734,141</u>

ARRAKIS COMMERCIAL ENTERPRISE LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

4. Tangible fixed assets (continued)

The net book value of land and buildings may be further analysed as follows:

	2019 £	2018 £
Investment property	734,141	734,141
	<u>734,141</u>	<u>734,141</u>

Investment properties are revalued annually at fair value determined by the director. The director considered that the fair value of the properties was equivalent to the cost of the properties held at the year end 31 August 2019.

5. Debtors

	2019 £	2018 £
Other debtors	-	4,718
	<u>-</u>	<u>4,718</u>

6. Cash and cash equivalents

	2019 £	2018 £
Cash at bank and in hand	336	1,818
	<u>336</u>	<u>1,818</u>

ARRAKIS COMMERCIAL ENTERPRISE LTD

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

7. Creditors: Amounts falling due within one year

	2019 £	2018 £
Trade creditors	2,040	-
Amounts owed to group undertakings	4,200	-
Other taxation and social security	2,800	1,336
Other creditors	428,885	248,680
Accruals and deferred income	6,100	5,477
	<u>444,025</u>	<u>255,493</u>

8. Creditors: Amounts falling due after more than one year

	2019 £	2018 £
Other loans	-	192,500
	<u>-</u>	<u>192,500</u>

9. Commitments under operating leases

At 31 August 2019 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2019 £	2018 £
Not later than 1 year	9,000	9,000
Later than 1 year and not later than 5 years	24,510	33,510
	<u>33,510</u>	<u>42,510</u>

10. Related party transactions

During the year, the director loaned the company £54,512 (2018: £22,520) and paid personally company expenses totalling £193,540 (2018: £3,782). Monies totalling £35,351 (2018: £64,371) were repaid to the director and costs paid by the company of £35,639 (2018: £nil) were recharged to the director personally. At the year end, the director was owed £425,742 (2018: £248,680) from the company, which is interest free and repayable on demand. The balance is included within other creditors.

ARRAKIS COMMERCIAL ENTERPRISE LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

11. Post balance sheet events

A pandemic has emerged since the year end. The company is not able to quantify the financial impact at this stage.