

920/20

UK Reg. No. FC012400

EARLS COURT FARM LIMITED
BERMUDA

UNAUDITED ANNUAL ACCOUNTS
FOR THE YEAR 2016

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EARLS COURT FARM LIMITED

Directors Report

The Directors present their annual report together with the unaudited financial statements of the Company for the year ended 31 December 2016.

Principal activity

During the year the Company operated a farming business in the UK.

Directors


The directors who served during the year were as follows :

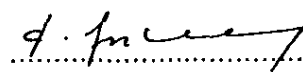
| | Date Appointed | Date Re-Elected | Date Resigned |
|-------------------|----------------|-----------------|---------------|
| James M. Keyes | 10 Dec 2015 | | 21 Mar 2016 |
| Jonathan G. White | 10 Dec 2015 | 10 Dec 2016 | |
| Joerg Fischer | 10 Dec 2015 | 10 Dec 2016 | |

Small Companies Provisions

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime within Part 15 of the Companies Act 2006 as applied (with modifications) by Part 5 of the Overseas Companies Regulations 2009 (SI 2009/1801) and in accordance with the provisions of FRS 102 Section 1A - small entities.

On behalf of the board


.....
Jonathan G. White
Director
Date : 9.10.2017.


.....
Joerg Fischer
Director J
Date : 9.10.2017

EARLS COURT FARM LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2016

EXPRESSED IN U.S. DOLLARS

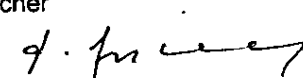
| | <u>Notes</u> | <u>2016</u> | <u>2015</u> |
|---|--------------|-------------------------|-------------------------|
| <u>Fixed Assets</u> | | | |
| Property, plant and equipment | | 7,649,031 | 7,880,009 |
| Intangible Assets | | 73,749 | 88,420 |
| Investments | | 378 | 378 |
| | 2 | <u>7,723,158</u> | <u>7,968,807</u> |
| <u>Current Assets</u> | | | |
| Inventories | 3 | 1,616,291 | 1,736,443 |
| Debtors | 4 | 61,401 | 476,377 |
| Cash at bank and in hand | | 712,103 | 297,441 |
| Total Current Assets | | <u>2,389,795</u> | <u>2,510,261</u> |
| <u>Creditors</u> | | | |
| Amounts falling due within one year | 5 | 743,504 | 1,239,939 |
| Total Creditors | | <u>743,504</u> | <u>1,239,939</u> |
| Net Current Assets | | <u>1,646,291</u> | <u>1,270,322</u> |
| <u>TOTAL ASSETS LESS CREDITORS</u> | USD | <u>9,369,449</u> | <u>9,239,129</u> |
| <u>SHAREHOLDERS' EQUITY</u> | | | |
| <u>Shareholders Equity</u> | | | |
| Called up Share Capital | | 17,128 | 17,128 |
| Capital Contribution | | 10,429,299 | 10,409,299 |
| Profit and Loss Account | | <u>(1,076,978)</u> | <u>(1,187,298)</u> |
| <u>TOTAL SHAREHOLDERS' EQUITY</u> | USD | <u>9,369,449</u> | <u>9,239,129</u> |

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime within Part 15 of the Companies Act 2006 as applied (with modifications) by Part 5 of the Overseas Companies Regulations 2009 (SI 2009/1801) and in accordance with the provisions of FRS102 Section 1A - small entities.

The unaudited financial statements of Earls Court Farm Limited, company registration number FC012400 were approved by the board on 9 October 2017 and signed on its behalf by:



Jonathan G. White
 Director:

Joerg Fischer
 Director: 

The notes on pages 4 to 6 form part of these financial statements.

EARLS COURT FARM LIMITED
INCOME STATEMENT
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2016

EXPRESSED IN U.S.DOLLARS

| | <u>2016</u> | <u>2015</u> |
|---|---------------------------|-------------------------|
| Turnover - Continuing Operations | 1,808,890 | 2,216,098 |
| Cost of Sales | <u>(887,721)</u> | <u>(1,400,729)</u> |
| Gross Profit | 921,169 | 815,369 |
| Administrative Expenses | (856,429) | (1,181,992) |
| Other Operating Income | 49,167 | 6,717 |
| Interest Receivable | 648 | 717 |
| Interest Payable and similar charges | <u>(812)</u> | <u>(426)</u> |
| Profit/(Loss) on Ordinary Activities Before Taxation | <u>113,743</u> | <u>(359,615)</u> |
| Tax on Profit/(Loss) on Ordinary Activities | (3,423) | - |
| PROFIT/(LOSS) FOR THE FINANCIAL YEAR | USD <u>110,320</u> | <u>(359,615)</u> |

The notes on pages 4 to 6 form part of these financial statements.

There are no recognised gains or losses other than the Profit attributable to the shareholders of the company of USD 110,320 in the year ended 31 December 2016 (2015 - Loss of USD (359,615)).

EARLS COURT FARM LIMITED
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2016
AS AT DECEMBER 31, 2016

EXPRESSED IN U.S. DOLLARS

| | Share Capital \$ | Capital Contribution \$ | Profit & Loss Account \$ | Total \$ |
|------------------------------------|------------------------|-------------------------------|--------------------------------|-------------|
| At 1 January 2015 | 17,128 | 10,409,299 | (827,683) | 9,598,744 |
| (Loss) for the financial year | - | - | (359,615) | (359,615) |
| At 31 December 2015/1 January 2016 | 17,128 | 10,409,299 | (1,187,298) | 9,239,129 |
| Capital Advanced in the Year | - | 20,000 | - | 20,000 |
| Profit for the financial year | - | - | 110,320 | 110,320 |
| At 31 December 2016 | 17,128 | 10,429,299 | (1,076,978) | 9,369,449 |

**EARLS COURT FARM LIMITED
NOTES TO FINANCIAL STATEMENTS
AS AT DECEMBER 31, 2016**

EXPRESSED IN U.S.DOLLARS

1. Accounting policies

Statutory Information

Earls Court Farm Limited is a private company limited by shares incorporated in Bermuda. It is registered in England as a Foreign Company with registration number FC012400.

Compliance with Accounting Standards

The accounts have been prepared under the historical cost convention and in accordance with the provisions of FRS 102 Section 1A small entities. There were no material departures from that standard.

The principal accounting policies adopted in the preparation of the financial statements are set out below and have remained unchanged from the previous year and also have been consistently applied within the same accounts.

Disclosure requirements

The unaudited financial statements have been prepared in accordance with section 396 of the Companies Act 2006 as applicable to overseas companies. The company has taken advantage of the modifications and exemptions from disclosure that are set out in the Overseas Companies Regulations 2009 (SI 2009/1801).

Turnover

Turnover represents the invoiced value of goods and services provided to third parties, excluding value added tax and trade discounts.

Inventories

Inventories are stated at the lower of cost and net realisable value. Net realisable value is based on estimated selling price less any further costs expected to be incurred to completion and disposal.

Property, Plant and Equipment

Properties are treated as 'commercial properties' and as such are carried as follows :
Freehold land, buildings and improvements are stated at the lower of cost or market value.
Plant and equipment is carried at cost less accumulated depreciation.
Depreciation is provided so as to write off the cost, less estimated residual value, of each asset evenly over its expected useful life, as follows:

| | |
|------------------------------|-----------------|
| Freehold land and buildings- | not depreciated |
| Improvements- | not depreciated |
| Plant & equipment | 5 Years |

Intangible assets

Single Payment Entitlements are carried at cost and amortised over their useful life of 5 years.

Investments

Investments in shares are included at cost.

EARLS COURT FARM LIMITED
NOTES TO FINANCIAL STATEMENTS
AS AT DECEMBER 31, 2016

EXPRESSED IN U.S.DOLLARS

1. Accounting policies (continued)

Leasing

Plant and equipment acquired under finance leases or hire purchase contracts are capitalised and depreciated in the same manner as other tangible fixed assets.

The related obligations, net of future finance charges are included in creditors.

Rentals payable under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease.

Foreign Exchange

The presentation currency of the accounts is \$ US Dollars.

2. Fixed Assets

| | <u>Tangible</u> <u>Assets</u> \$ | <u>Intangible</u> <u>Assets</u> \$ | <u>Investments</u> \$ | <u>Total</u> \$ |
|-------------------------|--|--|--------------------------|--------------------|
| <u>Cost</u> | | | | |
| At 1 January 2016 | 9,812,580 | 360,151 | 378 | 10,173,109 |
| Additions | 159,036 | - | - | 159,036 |
| Fair Value Movements | - | - | - | - |
| Disposals | (345,517) | - | - | (345,517) |
| At 31 December 2016 | <u>9,626,099</u> | <u>360,151</u> | <u>378</u> | <u>9,986,628</u> |
| <u>Amortisation</u> | | | | |
| At 1 January 2016 | 1,932,571 | 271,731 | - | 2,204,302 |
| Charge for the year | 334,182 | 14,671 | - | 348,853 |
| Impairment | - | - | - | - |
| Eliminated on disposals | (289,685) | - | - | (289,685) |
| At 31 December 2016 | <u>1,977,068</u> | <u>286,402</u> | <u>-</u> | <u>2,263,470</u> |
| <u>Net Book Value</u> | | | | |
| At 31 December 2016 | <u>7,649,031</u> | <u>73,749</u> | <u>378</u> | <u>7,723,158</u> |
| At 31 December 2015 | <u>7,880,009</u> | <u>88,420</u> | <u>378</u> | <u>7,968,807</u> |

3. Inventories

| | 2016 \$ | 2015 \$ |
|------------------|------------------|------------------|
| Raw Materials | 375,524 | 380,898 |
| Work in Progress | 321,835 | 415,653 |
| Finished Goods | 724,724 | 712,324 |
| Livestock | 194,208 | 217,568 |
| | <u>1,616,291</u> | <u>1,726,443</u> |

EARLS COURT FARM LIMITED
NOTES TO FINANCIAL STATEMENTS
AS AT DECEMBER 31, 2016

EXPRESSED IN U.S.DOLLARS

| 4. Debtors | 2016 | 2015 |
|---------------------------------|---------------|----------------|
| | \$ | \$ |
| Trade Debtors | 55,302 | 365,651 |
| Other Debtors | - | 73,682 |
| Prepayments and Deferred Income | 6,099 | 37,044 |
| | <u>61,401</u> | <u>476,377</u> |

| 5. Creditors Falling Due Within One Year | 2016 | 2015 |
|---|----------------|------------------|
| | \$ | \$ |
| Trade Creditors | 114,251 | 164,838 |
| Amounts Owed to Group Undertakings | 489,040 | 592,960 |
| Other Creditors | 139,976 | 481,573 |
| Accruals and Prepaid Income | 237 | 568 |
| | <u>743,504</u> | <u>1,239,939</u> |

6. Average Number of Employees

During the year the average number of employees was 6 (2015 - 4).

7. Related party transactions

On 28 July 2016 the Company entered into agreements with other related entities whereby the Company manages and farms land owned by these entities.

These entities are, Aerolab Limited, Dryden Limited, JEM Limited, Stream Valley Corporation and Upstream Valley Corporation all of which are controlled by The Millennium Trust and the Racine Trust a related Trust.

Under the terms of these agreements the Company is entitled to all income and profits generated by these activities, but is, in turn, responsible for the proper management, maintenance and upkeep of the lands on behalf of the related entities.

To better exploit the agreements the Company has constructed and improved various buildings on the land owned by these entities.

As at 31 December 2016 the Company owed a) USD 244,520 (GBP200,000) loaned to it by Upstream Valley Corporation and b) USD 244,520 (GBP200,000) loaned to it by The Millennium Trust (2015 : USD 296,480 (GBP200,000)) in both cases.

Both loans are interest free and repayable on demand.

8. Controlling Party

The Controlling Party of the Company is The Millennium Trust.

9. First time adoption of FRS102

The policies applied under the Company's previous accounting framework are not materially different to FRS102 and have not impacted on equity or profit and loss.