

DIRECTORS' REPORT AND  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED  
31 DECEMBER 2016

FRANKI FOUNDATIONS  
UK LIMITED



**MENZIES**  
BRIGHTER THINKING

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# FRANKI FOUNDATIONS UK LIMITED

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## COMPANY INFORMATION

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<b>Directors</b>	M Bottiau C Macklin W Claesen A Macdonald (appointed 1 July 2016)
<b>Registered number</b>	02897887
<b>Registered office</b>	76 Powder Mill Lane The Questor Estate Dartford Kent DA1 1JA
<b>Independent auditors</b>	Menzies LLP Chartered Accountants & Statutory Auditor Wentworth House 4400 Parkway Whiteley Hampshire PO15 7FJ

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# FRANKI FOUNDATIONS UK LIMITED

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# FRANKI FOUNDATIONS UK LIMITED

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## DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2016

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The directors present their report and the financial statements for the year ended 31 December 2016.

### **Directors' responsibilities statement**

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the Company's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### **Directors**

The directors who served during the year were:

M Bottiau  
C Macklin  
W Claesen  
A Macdonald (appointed 1 July 2016)

**Company registration number:** 02897887

### **Going Concern**

The directors have a reasonable expectation that the company has adequate resources to continue operational existence for the foreseeable future. For this reason the directors continue to adopt the going concern basis of accounting in preparing the annual financial statements.

### **Disclosure of information to auditors**

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

### **Auditors**

Under section 487(2) of the Companies Act 2006, Menzies LLP will be deemed to have been reappointed as auditors 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier.

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# FRANKI FOUNDATIONS UK LIMITED

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## DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2016

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### Small companies note

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board and signed on its behalf.

C Macklin  
Director



Date:

12/4/17



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**INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF  
FRANKI FOUNDATIONS UK LIMITED**

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We have audited the financial statements of Franki Foundations UK Limited for the year ended 31 December 2016, set out on pages 5 to 18. The relevant financial reporting framework that has been applied in their preparation is applicable law and the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

**Respective responsibilities of Directors and Auditors**

As explained more fully in the Directors' Responsibilities Statement on page 1, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Financial Reporting Council's Ethical Standards for Auditors.

**Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Directors' Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

**Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2016 and of its profit or loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Opinion on other matter prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit, the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with those financial statements and this report has been prepared in accordance with applicable legal requirements.

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INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF  
FRANKI FOUNDATIONS UK LIMITED (CONTINUED)

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**Matters on which we are required to report by exception**

In the light of our knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemption in preparing the Directors' Report and take advantage of the small companies' exemption from the requirement to prepare a Strategic Report.

*Menzies LLP*

James Hadfield FCA (Senior Statutory Auditor)

for and on behalf of  
**Menzies LLP**

Chartered Accountants  
Statutory Auditor

Wentworth House  
4400 Parkway  
Whiteley  
Hampshire  
PO15 7FJ

Date: 13/4/17

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# FRANKI FOUNDATIONS UK LIMITED

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## INCOME STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2016

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	Note	2016 £	2015 £
Turnover		10,621,345	10,100,031
Cost of sales		(7,690,085)	(8,068,026)
<b>Gross profit</b>		<b>2,931,260</b>	<b>2,032,005</b>
Administrative expenses		(2,831,260)	(1,755,712)
<b>Operating profit</b>		<b>100,000</b>	<b>276,293</b>
Interest payable and similar expenses		(20,188)	(5,518)
<b>Profit before tax</b>		<b>79,812</b>	<b>270,775</b>
Tax on profit		53,175	-
<b>Profit for the year</b>		<b>132,987</b>	<b>270,775</b>

There were no recognised gains and losses for 2016 or 2015 other than those included in the income statement.



# FRANKI FOUNDATIONS UK LIMITED

REGISTERED NUMBER:02897887

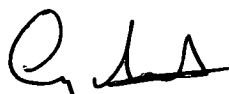
## STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2016

	Note	2016 £	2015 £
<b>Fixed assets</b>			
Tangible assets	5	2,048,793	1,535,931
		<u>2,048,793</u>	<u>1,535,931</u>
<b>Current assets</b>			
Stocks		88,210	178,377
Debtors: amounts falling due within one year	6	2,505,246	2,816,460
Cash at bank and in hand		178,551	136,831
		<u>2,772,007</u>	<u>3,131,668</u>
Creditors: amounts falling due within one year	7	(2,426,764)	(2,551,275)
<b>Net current assets</b>		<u>345,243</u>	<u>580,393</u>
<b>Total assets less current liabilities</b>		<u>2,394,036</u>	<u>2,116,324</u>
Creditors: amounts falling due after more than one year	8	(1,818,327)	(1,673,602)
<b>Net assets</b>		<u><u>575,709</u></u>	<u><u>442,722</u></u>
<b>Capital and reserves</b>			
Called up share capital		267,040	267,040
Profit and loss account		308,669	175,682
		<u><u>575,709</u></u>	<u><u>442,722</u></u>

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

C Macklin  
Director



Date: 12/4/17

The notes on pages 9 to 18 form part of these financial statements.

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# FRANKI FOUNDATIONS UK LIMITED

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## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2016

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	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 January 2016	267,040	175,682	442,722
Comprehensive income for the year			
Profit for the year	-	132,987	132,987
Other comprehensive income for the year	-	-	-
Total comprehensive income for the year	-	132,987	132,987
Total transactions with owners	-	-	-
At 31 December 2016	267,040	308,669	575,709

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# FRANKI FOUNDATIONS UK LIMITED

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## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2015

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	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 January 2015	267,040	(95,093)	171,947
<b>Comprehensive income for the year</b>			
Profit for the year	-	270,775	270,775
<b>Other comprehensive income for the year</b>			
	-	-	-
<b>Total comprehensive income for the year</b>	-	270,775	270,775
<b>Total transactions with owners</b>	-	-	-
<b>At 31 December 2015</b>	<b>267,040</b>	<b>175,682</b>	<b>442,722</b>

The notes on pages 9 to 18 form part of these financial statements.

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# FRANKI FOUNDATIONS UK LIMITED

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

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### 1. General information

Franki Foundations UK Limited is a company limited by shares incorporated in England within the United Kingdom. The address of the registered office is given in the company information page at the front of these financial statements.

The financial statements are presented in sterling which is the functional currency of the company and rounded to the nearest £.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

### 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 company transitioned to FRS 102 on 1 January 2015. Information on the impact of first-time adoption of FRS 102 is given in note 16.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

#### 2.2 Financial reporting standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 4 Statement of Financial Position paragraph 4.12(a)(iv);
- the requirements of Section 26 Share-based Payment paragraphs 26.18(b), 26.19 to 26.21 and 26.23;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Franki Foundations Belgium as at 31 December 2016 and these financial statements may be obtained from <http://www.eurodb.be>.

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# FRANKI FOUNDATIONS UK LIMITED

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

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### 2. Accounting policies (continued)

#### 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 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged to allocate the cost of assets less their residual value over their estimated useful lives.

Depreciation is provided on the following basis:

Freehold property	-	2% straight line
Plant and machinery	-	10% straight line and 25% reducing balance
Motor vehicles	-	25% reducing balance
Fixtures and fittings	-	25% reducing balance

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Income Statement.

#### 2.5 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in first out basis. Work in progress and finished goods include labour and attributable overheads.

At each reporting date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

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# FRANKI FOUNDATIONS UK LIMITED

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

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### 2. Accounting policies (continued)

#### 2.6 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.

#### 2.7 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.

#### 2.8 Financial instruments

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Income Statement.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or income as appropriate. The company does not currently apply hedge accounting for interest rate and foreign exchange derivatives.

#### 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.

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# FRANKI FOUNDATIONS UK LIMITED

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

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### 2. Accounting policies (continued)

#### 2.10 Hedge accounting

The Company uses variable to fixed interest rate swaps to manage its exposure to fair value risk on its foreign currency transactions. These derivatives are measured at fair value at each balance sheet date.

To the extent the cash flow hedge is effective, movements in fair value are recognised in other comprehensive income and presented in a separate cash flow hedge reserve. Any ineffective portions of those movements are recognised in profit or loss for the year.

Gains and losses on the hedging instruments and the hedged items are recognised in profit or loss for the year. When a hedged item is an unrecognised firm commitment, the cumulative hedging gain or loss on the hedged item is recognised as an asset or liability with a corresponding gain or loss recognised in profit or loss.

#### 2.11 Foreign currency translation

##### Functional and presentation currency

The Company's functional and presentational currency is GBP.

##### Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Income Statement except when deferred in other comprehensive income as qualifying cash flow hedges.

#### 2.12 Finance costs

Finance costs are charged to the Income Statement over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

#### 2.13 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to the Income Statement on a straight line basis over the lease term.

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# FRANKI FOUNDATIONS UK LIMITED

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

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### 2. Accounting policies (continued)

#### 2.14 Pensions

##### Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Income Statement when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the Company in independently administered funds.

#### 2.15 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 reporting date in the countries where the Company operates and generates income.

### 3. Judgements in applying accounting policies and key sources of estimation uncertainty

*Work in progress* - The directors review the value of work in progress project-by-project on a monthly basis. A low level of estimation uncertainty arises as the directors are aware of amounts to be billed post period end or the circumstances surrounding any write down of this value.

*Bad debt provision* - The directors review the recoverability of trade debtors on a monthly basis. Where an indication of irrecoverability has arisen, these debts are provided against. The directors also retain a general provision against bad debts which is based on historic write offs.

*Depreciation* - The directors apply depreciation rates based on the expected useful life of the assets purchased and their anticipated use. These rates are deemed to be in line with those applied by the market as a whole.

### 4. Employees

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

	2016 No.	2015 No.
Monthly	17	16
Weekly	49	43
	<u>66</u>	<u>59</u>



# FRANKI FOUNDATIONS UK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

### 5. Tangible fixed assets

	Freehold property £	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Total £
<b>Cost or valuation</b>					
At 1 January 2016	99,155	1,996,542	233,496	149,239	2,478,432
Additions	-	845,208	73,767	16,979	935,954
Disposals	-	-	(60,613)	-	(60,613)
At 31 December 2016	99,155	2,841,750	246,650	166,218	3,353,773
<b>Depreciation</b>					
At 1 January 2016	29,896	833,764	30,367	48,474	942,501
Charge for the period on owned assets	1,983	310,255	-	28,710	340,948
Charge for the period on financed assets	-	-	58,276	-	58,276
Disposals	-	-	(36,745)	-	(36,745)
At 31 December 2016	31,879	1,144,019	51,898	77,184	1,304,980
<b>Net book value</b>					
At 31 December 2016	67,276	1,697,731	194,752	89,034	2,048,793
At 31 December 2015	69,259	1,162,778	203,129	100,765	1,535,931

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

	2016 £	2015 £
Freehold	67,276	69,260
	67,276	69,260

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	2016 £	2015 £
Motor vehicles	185,536	83,929
	185,536	83,929

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# FRANKI FOUNDATIONS UK LIMITED

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

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### 6. Debtors

	2016 £	2015 £
Trade debtors	1,959,292	2,431,943
Other debtors	406,166	384,517
Prepayments and accrued income	85,372	-
Financial instruments	54,416	-
	<u>2,505,246</u>	<u>2,816,460</u>

### 7. Creditors: Amounts falling due within one year

	2016 £	2015 £
Trade creditors	905,633	1,525,217
Amounts owed to group undertakings	868,944	639,825
Corporation tax	-	328
Taxation and social security	112,989	120,578
Obligations under finance lease and hire purchase contracts	67,202	72,737
Other creditors	26,614	75,864
Accruals and deferred income	445,382	116,726
	<u>2,426,764</u>	<u>2,551,275</u>

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

	2016 £	2015 £
Net obligations under finance leases and hire purchase contracts	110,281	126,532
Amounts owed to group undertakings	1,708,046	1,547,070
	<u>1,818,327</u>	<u>1,673,602</u>

#### Secured loans

KBC Bank NV hold a fixed and floating charge over all of the assets owned by the company.

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# FRANKI FOUNDATIONS UK LIMITED

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

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### 9. Hire purchase and finance leases

Minimum lease payments under hire purchase fall due as follows:

	2016 £	2015 £
Within one year	73,242	74,349
Between 1-2 years	58,112	58,997
Between 2-5 years	54,661	65,923
	<u>186,015</u>	<u>199,269</u>

### 10. Financial instruments

	2016 £	2015 £
<b>Financial assets</b>		
Financial assets measured at fair value through profit or loss	54,416	-
Financial assets that are debt instruments measured at amortised cost	<u>2,365,458</u>	<u>2,816,460</u>
	<u>2,419,874</u>	<u>2,816,460</u>
<b>Financial liabilities</b>		
Financial liabilities measured at amortised cost	<u>(3,954,619)</u>	<u>(3,883,053)</u>
	<u>(3,954,619)</u>	<u>(3,883,053)</u>

Financial assets measured at fair value through profit or loss comprise a currency cash flow hedge, detailed in the accounting policies. The fair value is based upon the banks forward rate at the year end date. This £54,416 was credited to the Income Statement in the year.

### 11. Pension commitments

The company operates a defined contribution pension scheme for the benefit of its employees. Total amounts due to the pension scheme at the year end date amounted to £2,486 (2015 - £nil).

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# FRANKI FOUNDATIONS UK LIMITED

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

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### 12. Commitments under operating leases

At 31 December 2016 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2016 £	2015 £
Not later than 1 year	102,258	110,209
Later than 1 year and not later than 5 years	171,117	200,700
	<u>273,375</u>	<u>310,909</u>

### 13. Transactions with directors

At the year end Mr C Macklin, a director, owed the company £5,000 (2015 - £5,000). This loan is undated, unsecured and interest free.

### 14. Related party transactions

The company has taken advantage of the exemption from the requirement to disclose transactions with group companies on the grounds that the company is wholly owned by the ultimate parent company, which prepares consolidated financial statements.

During the year the company paid Mrs E Macklin, Mr C Macklin's wife, a total of £28,732 (2015 - £28,331) for the provision of marketing services.

### 15. Controlling party

The immediate parent company is Franki Foundations Belgium s.a, a company registered in Belgium.

The ultimate parent company is BESIX Group s.a, a company registered in Belgium, they prepare group financial statements and copies can be obtained from Avenue des Communautés - Gemeenschappenlaan 100, 1200 Brussels, Belgium.

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# FRANKI FOUNDATIONS UK LIMITED

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

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### **16. First time adoption of FRS 102**

The policies applied under the entity's previous accounting framework are not materially different to FRS 102 and have not impacted on equity or profit or loss.