

FAIRACRE PROPERTIES LIMITED  
UNAUDITED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2020

**FAIRACRE PROPERTIES LIMITED****BALANCE SHEET  
AS AT 31 MARCH 2020**

	Note	2020 £	2019 £
<b>Fixed assets</b>			
Tangible assets	4	539	720
Investments		14,460,015	14,460,015
		<u>14,460,554</u>	<u>14,460,735</u>
<b>Current assets</b>			
Debtors: amounts falling due within one year	6	2,382,644	8,527,085
Current asset investments	7	-	18,817
Cash at bank and in hand	8	2,494,641	2,486,272
		<u>4,877,285</u>	<u>11,032,174</u>
Creditors: amounts falling due within one year	9	(16,110,966)	(91,105)
<b>Net current (liabilities)/assets</b>		<u>(11,233,681)</u>	<u>10,941,069</u>
<b>Total assets less current liabilities</b>		<u>3,226,873</u>	<u>25,401,804</u>
Creditors: amounts falling due after more than one year	10	-	(16,073,857)
<b>Net assets</b>		<u><u>3,226,873</u></u>	<u><u>9,327,947</u></u>
<b>Capital and reserves</b>			
Called up share capital		90	90
Capital redemption reserve		10	10
Profit and loss account		3,226,773	9,327,847
		<u><u>3,226,873</u></u>	<u><u>9,327,947</u></u>

**FAIRACRE PROPERTIES LIMITED**

**BALANCE SHEET (CONTINUED)**

**AS AT 31 MARCH 2020**

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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 the 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 financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

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 profit and loss account 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:

.....  
**S H Russell**

Director

Date: 29 March 2021

The notes on pages 3 to 9 form part of these financial statements.

# **FAIRACRE PROPERTIES LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020**

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### **1. General information**

Fairacre Properties Limited is a private company limited by shares, registered in England and Wales. Its registered office is Palladium House, 1-4 Argyll Street, London, United Kingdom, W1F 7LD and its registered number is 04681701.

### **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 Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The financial statements are prepared in Sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The following principal accounting policies have been applied:

#### **2.2 Going concern**

After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence and meet its liabilities as they fall due for the foreseeable future, being a period of at least twelve months from the date these financial statements were approved. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

#### **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 profit or loss using the effective interest method.

# FAIRACRE PROPERTIES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

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### 2. Accounting policies (continued)

#### 2.5 Taxation

Tax is recognised in profit or loss 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.

#### 2.6 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 so as to allocate the cost of assets less their residual value over their estimated useful lives, on a reducing balance basis.

Depreciation is provided on the following basis:

Fixtures and fittings	-	25%
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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 profit or loss.

#### 2.7 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

Investments in unlisted company shares, whose market value can be reliably determined, are remeasured to market value at each balance sheet date. Gains and losses on remeasurement are recognised in the profit and loss account for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

Investments in listed company shares are remeasured to market value at each balance sheet date. Gains and losses on remeasurement are recognised in profit or loss for the period.

#### 2.8 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.

# FAIRACRE PROPERTIES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

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### 2. Accounting policies (continued)

#### 2.9 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.

#### 2.10 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.

#### 2.11 Financial instruments

The company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

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 in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

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 profit and loss account.

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.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the company would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the balance sheet 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.

# FAIRACRE PROPERTIES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

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### 2. Accounting policies (continued)

#### 2.12 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

### 3. Employees

The average monthly number of employees, including directors, during the year was 1 (2019 - 1).

### 4. Tangible fixed assets

	Fixtures and fittings £
<b>Cost or valuation</b>	
At 1 April 2019	2,986
At 31 March 2020	<u>2,986</u>
<b>Depreciation</b>	
At 1 April 2019	2,266
Charge for the year on owned assets	181
At 31 March 2020	<u>2,447</u>
<b>Net book value</b>	
At 31 March 2020	<u><u>539</u></u>
At 31 March 2019	<u><u>720</u></u>

# FAIRACRE PROPERTIES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

### 5. Fixed asset investments

	Investments in subsidiary companies £
<b>Cost or valuation</b>	
At 1 April 2019	14,460,015
At 31 March 2020	<u>14,460,015</u>

The company holds 100% of the share capital of Fairacre Property Holdings Limited. As this company is unlisted and it has not been deemed possible to place a reliable market value on this investment, it has been recognised at historical cost less impairment.

### 6. Debtors

	2020 £	2019 £
Trade debtors	120,413	164,551
Amounts owed by group undertakings	-	5,328,645
Other debtors	1,650,379	2,052,181
Prepayments and accrued income	609,751	981,708
Tax recoverable	2,101	-
	<u>2,382,644</u>	<u>8,527,085</u>

### 7. Current asset investments

	2020 £	2019 £
Unlisted investments	-	18,817
	<u>-</u>	<u>18,817</u>



# FAIRACRE PROPERTIES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

### 8. Cash and cash equivalents

	2020 £	2019 £
Cash at bank and in hand	2,494,641	2,486,272
	<u>2,494,641</u>	<u>2,486,272</u>

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

	2020 £	2019 £
Trade creditors	10,782	9,239
Amounts owed to group undertakings	16,078,471	1,000
Corporation tax	-	2,101
Other taxation and social security	2,460	21,163
Other creditors	-	34,802
Accruals and deferred income	19,253	22,800
	<u>16,110,966</u>	<u>91,105</u>

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

	2020 £	2019 £
Amounts owed to group undertakings	-	16,073,857
	<u>-</u>	<u>16,073,857</u>

### 11. Financial instruments

	2020 £	2019 £
<b>Financial assets</b>		
Financial assets measured at fair value through profit or loss	<u>2,494,641</u>	<u>2,486,272</u>

Financial assets measured at fair value through profit or loss comprise bank balances.

# FAIRACRE PROPERTIES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

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### 12. Share capital

	2020 £	2019 £
<b>Allotted, called up and fully paid</b>		
40 (2019 - 40) Ordinary A shares of £1.00 each	<b>40</b>	40
40 (2019 - 40) Ordinary B shares of £1.00 each	<b>40</b>	40
10 (2019 - 10) Ordinary C shares of £1.00 each	<b>10</b>	10
	<hr/>	<hr/>
	<b>90</b>	90
	<hr/>	<hr/>

The shares have attached to them full voting, dividend and capital distribution rights.

### 13. Related party transactions

The company has taken advantage of the exemption contained in Section 33 of FRS 102 "Related Party Disclosures" from disclosing transactions with entities which are part of the group, since 100% of the voting rights in the company are controlled within the group.

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.