

# **Fairford Capital Limited**

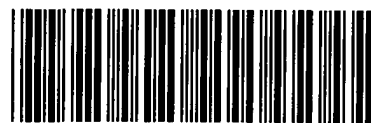
Report and Financial Statements

Year Ended

30 September 2013

Company Number 07726595

WEDNESDAY



\*A3H3SEBU\*

A22

24/09/2014

#114

COMPANIES HOUSE

# **Fairford Capital Limited**

## **Report and financial statements for the year ended 30 September 2013**

---

### **Contents**

#### **Page:**

1	Report of the director
2	Director's responsibilities
3	Independent auditor's report
5	Profit and loss account
6	Balance sheet
7	Notes forming part of the financial statements

---

### **Director**

M S Bradfield

### **Registered office**

16 Old Bailey, London, EC4M 7EG

### **Company number**

07726595

### **Auditors**

BDO LLP, 55 Baker Street, London, W1U 7EU

# Fairford Capital Limited

## Report of the director for the year ended 30 September 2013

The director presents his report together with the audited financial statements for Fairford Capital Limited ("the company") for the year ended 30 September 2013. The company was incorporated on 2 August 2011.

### Results and dividends

The profit and loss account is set out on page 5 and shows the loss for the year, £394,240 (2012: £368,436). This was arrived at after dividend income of £111,252 (2012: £1,330), gain on sale of assets £189,534 (2012: £27,373) and an unrealised loss of £70,348 (2012: £nil).

The director does not recommend the payment of a dividend (2012: £nil).

### Principal activity

The principal activity of the company during the year was that of investing in listed and unlisted securities with £10,457,222 held at the end of the year.

### Director

The director of the company during the year was:

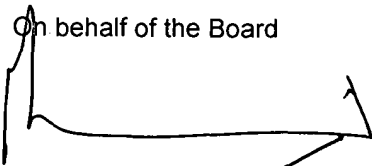
M S Bradfield

### Auditors

The current director has taken all the steps that he ought to have taken to make himself aware of any information needed by the company's auditors for the purposes of his audit and to establish that the auditors are aware of that information. The director is not aware of any relevant audit information of which the auditors are unaware.

BDO LLP, who were appointed as auditors of the company by the director, have expressed their willingness to continue in office and a resolution to re-appoint them will be proposed at the annual general meeting.

On behalf of the Board



M S Bradfield  
Director

22 September 2014

# Fairford Capital Limited

## Director's responsibilities for the year ended 30 September 2013 (*Continued*)

---

### Director's responsibilities

The director is responsible for preparing the director's report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements 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 director is 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. He is 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.

# **Fairford Capital Limited**

## **Independent auditor's report**

---

### **TO THE MEMBERS OF FAIRFORD CAPITAL LIMITED**

We have audited the financial statements of Fairford Capital Limited for the year to 30 September 2013 which comprise the profit and loss account, the balance sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (Effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

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 auditor's 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 statement of director's responsibilities, the director is 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 Auditing Practices Board's Ethical Standards for Auditors.

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

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

### **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 30 September 2013 and loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

# Fairford Capital Limited

## Independent auditor's report (*continued*)

---

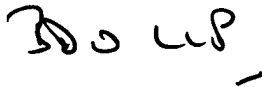
### Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the director's report for the financial period for which the financial statements are prepared is consistent with the financial statements.

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

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 director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the director was not entitled to prepare the financial statements and the director's report in accordance with the small companies regime.



Neil Griggs (*senior statutory auditor*)  
BDO LLP  
55 Baker Street  
London  
W1U 7EU  
United Kingdom

22 September 2014

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

# Fairford Capital Limited

## Profit and loss account for the year ended 30 September 2013

		Year ending 30/09/2013 £	Period ending 30/09/2012 £
	Note		
<b>Turnover</b>	2	111,252	1,330
Administrative expenses		(364,148)	(142,514)
Gain/(Loss) on sale of investments		189,534	(27,373)
Impairment of loan receivable		-	(200,000)
Unrealised loss of investments		(70,348)	-
		<hr/>	<hr/>
<b>Operating loss</b>	5	(133,710)	(368,557)
Foreign exchange loss		(239,963)	-
Other interest receivable and similar income		13,724	4,507
Interest payable and similar charges	6	(34,291)	(4,386)
		<hr/>	<hr/>
<b>Loss on ordinary activities before taxation</b>		(394,240)	(368,436)
Taxation on loss from ordinary activities	7	-	-
		<hr/>	<hr/>
<b>Loss on ordinary activities after taxation</b>		<u>(394,240)</u>	<u>(368,436)</u>

All amounts relate to continuing activities.

All recognised gains and losses are included in the profit and loss account.

The notes on pages 7 to 12 form part of these financial statements.

# Fairford Capital Limited

## Balance sheet at 30 September 2013

	Note	£	2013 £	2012 £	£
<b>Fixed assets</b>					
Office Equipment	8	3,166		-	
Investments	9	10,457,222		2,464,500	
			10,460,388		2,464,500
<b>Current assets</b>					
Debtors	10	16,864		313,644	
Cash at bank and in hand		3,004,733		1,713,784	
			3,021,597		2,027,428
<b>Creditors: amounts falling due within one year</b>	11		(344,660)		(360,363)
<b>Net current assets</b>			2,676,937		1,667,065
<b>Total assets less current liabilities</b>			13,137,325		4,131,565
<b>Creditors: amounts falling due after more than one year</b>	12		(13,900,000)		(4,500,000)
<b>Net liabilities</b>			(762,675)		(368,435)
<b>Capital and reserves</b>					
Called up share capital	13	1		1	
Reserves	14	(762,676)		(368,436)	
<b>Shareholders' deficit</b>			(762,675)		(368,435)

The financial statements were approved by the Board of Directors and authorised for issue on 22 September 2014.

  
M S Bradfield  
Director

The notes on pages 7 to 12 form part of these financial statements.



# Fairford Capital Limited

## Notes forming part of the financial statements for the year ended 30 September 2013

---

### 1 Accounting policies

The financial statements have been prepared under the historical cost convention and are in accordance with applicable accounting standards.

The following principal accounting policies have been applied:

#### *Going concern*

The financial statements have been drawn up on a going concern basis. At 30 September 2013 the company had net liabilities of £762,675 (2012: £368,435) and is dependent upon the continued support of the shareholders. The shareholders have agreed to continue to provide financial support in the expectation of the future gains resulting from investment activities.

#### *Turnover*

Turnover represents dividend income and is shown net of value added tax or local taxes on sales.

#### *Gains and losses on disposal of investments*

The gain or loss on the disposal of an investment is accounted for in the profit and loss account of the period in which the disposal occurs as the difference between the net sale proceeds and the carrying amount.

#### *Taxation*

The charge for taxation is based on the profit for the year and taken into account taxation deferred.

Current tax is measured at amounts expected to be paid using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

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

- deferred tax is not recognised on timing differences arising on revalued properties unless the company has entered into a binding sale agreement and is not proposing to take advantage of rollover relief; and
- the recognition of deferred tax assets is limited to the extent that the company anticipates making sufficient taxable profits in the future to absorb the reversal of the underlying timing differences.

Deferred tax balances arising from underlying timing differences in respect of tax allowances on industrial buildings are reversed if and when all conditions for retaining those allowances have been met.

Deferred tax balances are not discounted.

#### *Fixed assets*

Fixed assets are stated at cost less depreciation. Depreciation is provided at the rate calculated to write off the cost less estimated residual value of each asset on a straight line basis over its expected useful life as follows:

Office Equipment:	33.33% straight line basis
-------------------	----------------------------

# Fairford Capital Limited

## Notes forming part of the financial statements for the year ended 30 September 2013 (continued)

### 1 Accounting policies (continued)

#### *Investments*

Investments held as fixed assets are stated at cost less any provision for impairment in value. Investments held as current assets are stated at the lower of cost and net realisable value.

#### *Impairment of loans and receivables*

Loans and receivables are measured initially and subsequently at amortised cost. Where there is an indication of impairment a loss is recognised, being the difference between the carrying value of the asset and the recoverable amount.

#### *Foreign Currency*

Foreign currency transactions are translated at the rates ruling when they occurred. Foreign currency monetary assets and liabilities are translated at the rates ruling at the balance sheet dates. Any differences are taken to the profit and loss account.

#### *Financial liabilities and equity*

Financial liabilities and equity are classified according to the substance of the financial instruments' contractual obligations, rather than the financial instruments' legal form.

#### *Cash flow statement*

The company have taken advantage of the small entities exemption of FRS1 and are not required to prepare a cash flow statement.

### 2 Turnover

Turnover is wholly attributable to the principal activity of the company and arises solely within the United Kingdom.

### 3 Director

The director did not receive any remuneration during the period.

### 4 Employees

There were no employees during the year other than the director.

### 5 Operating loss

	2013 £	2012 £
This has been arrived at after charging:		
Auditors' remuneration:		
- audit of the annual financial statements	6,000	6,000
- accounting services	2,500	2,500
(Profit)/Loss on sale of investments	(189,534)	27,573
	<hr/>	<hr/>

# Fairford Capital Limited

Notes forming part of the financial statements  
for the year ended 30 September 2013 (*continued*)

6 Interest payable and similar charges	2013 £	2012 £
Bank loans and overdrafts	34,291	4,386
	<u>          </u>	<u>          </u>

7 Taxation on loss from ordinary activities	2013 £	2012 £
<i>Current tax</i>		
UK corporation tax on profits of the year	-	-
<i>Deferred tax</i>		
Origination and reversal of timing differences	-	-
Taxation on loss from ordinary activities	<u>          </u>	<u>          </u>
	<u>          </u>	<u>          </u>

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The differences are explained below:

	2013 £	2012 £
Loss on ordinary activities before tax	(394,240)	(368,436)
	<u>          </u>	<u>          </u>
Loss on ordinary activities at the standard rate of corporation tax in the UK of 20%	(78,848)	(73,687)
Effects of:		
Expenses not deductible for tax purposes	-	-
Losses carried forward	78,848	73,687
	<u>          </u>	<u>          </u>
Current tax charge for year	<u>          </u>	<u>          </u>
	<u>          </u>	<u>          </u>

# Fairford Capital Limited

Notes forming part of the financial statements  
for the year ended 30 September 2013 (*continued*)

<b>8</b>	<b>Fixed Assets</b>		<b>Office Equipment</b> £
	<b>Cost</b>		
	At 1 October 2012		-
	Additions		4,069
			<hr/>
	At 30 September 2013		4,069
			<hr/>
	<b>Depreciation</b>		
	At 1 October 2012		-
	Charge for the year		(903)
			<hr/>
	At 30 September 2013		(903)
			<hr/>
	<b>Net Book Value at 30 September 2013</b>		<b>3,166</b>
			<hr/> <hr/>
	<b>Net Book Value at 30 September 2012</b>		<b>-</b>
			<hr/> <hr/>
<b>9</b>	<b>Investments</b>	<b>2013</b> £	<b>2012</b> £
	<i>Cost and net book value</i>		
	At 1 October 2012	2,464,500	-
	Additions	17,478,206	2,873,235
	Disposals	(9,485,484)	(408,735)
		<hr/>	<hr/>
	At 30 September 2013	10,457,222	2,464,500
		<hr/> <hr/>	<hr/> <hr/>

Included in investments are listed investments amounting to £9,484,800 (2012: £2,464,500). At 30 September 2013 the market value of these investments was £9,775,992 (2012: £2,492,895).

Included within investments as at 30 September 2013 is an amount of £271,245 (2012: £nil) relating to a loan made to an individual under a loan agreement dated 24 April 2013. Under that agreement interest accrues on the loan at 5% per annum and both the loan principal and the interest are repayable on demand. The company is holding shares as security over the amount owed.

# Fairford Capital Limited

Notes forming part of the financial statements  
for the year ended 30 September 2013 *(continued)*

10 Debtors	2013 £	2012 £
Loans	-	300,000
Other debtors	16,864	13,644
	<u>16,864</u>	<u>313,644</u>

All amounts shown under other debtors fall due for payment within one year.

11 Creditors: amounts falling due within one year	2013 £	2012 £
Trade creditors	19,194	13,093
Bank overdrafts	1,640	3,550
Accruals	6,000	25,894
Director's loan account	317,826	317,826
	<u>344,660</u>	<u>360,363</u>

12 Creditors: amounts falling due after more than one year	2013 £	2012 £
Shareholder loan	13,900,000	4,500,000

13 Share capital	2013 Allotted, called up and fully paid	£	2012 Allotted, called up and fully paid	£
	Number		Number	
Ordinary shares of £1 each	1	1	1	1

14 Reserves	2013 Profit and loss account £	2012 Profit and loss account £
At 1 October 2012	(368,436)	-
Loss for year / period	(394,240)	(368,436)
	<u>(762,676)</u>	<u>(368,436)</u>
At 30 September 2013	(762,676)	(368,436)

# Fairford Capital Limited

## Notes forming part of the financial statements for the year ended 30 September 2013 *(continued)*

15 Reconciliation of movements in shareholders' deficit	2013	2012
	£	£
Loss for the year	(394,240)	(368,436)
Shares issued	-	1
	<hr/>	<hr/>
Net deduction to shareholders' funds	(394,240)	(368,435)
Opening shareholders' funds	(368,435)	-
	<hr/>	<hr/>
Closing shareholders' deficit	<u>(762,675)</u>	<u>(368,435)</u>

### 16 Related party transactions

During the year, the company received an additional loan from M S Bradfield, director, for £9,400,000 (2012: £4,500,000). The loan is interest free and repayable on demand. As at 30 September the outstanding total loan balance to M S Bradfield was £13,900,000 (2012: £4,500,000).

As at 30 September 2013 the company owed £317,826 (2012: £317,826) to M S Bradfield in lieu of personal assets transferred to the company, no interest is payable on this amount.

During the period the company paid management fees to Hamilton Capital Management Limited, a company with a common director, of £61,119 (2012: £31,835). Included in trade creditors is an amount of £17,265 (2012: £13,093) due to Hamilton Capital Management Limited.

### 17 Ultimate controlling party

As at 30 September 2013 the ultimate controlling party was M S Bradfield.