

**KAPPA SHARES INVESTMENTS LIMITED**

**DIRECTOR'S REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2016**

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## KAPPA SHARES INVESTMENTS LIMITED

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## KAPPA SHARES INVESTMENTS LIMITED

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### COMPANY INFORMATION

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<b>Director</b>	S Farrugia
<b>Registered number</b>	08319363
<b>Registered office</b>	3rd Floor, Watson House 54 Baker Street London W1U 7BU

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**KAPPA SHARES INVESTMENTS LIMITED**

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**DIRECTOR'S REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2016**

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The director presents his report and the financial statements for the year ended 31 December 2016.

**Director**

The director who served during the year was:

S Farrugia

**Small companies note**

In preparing this report, the director 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.



S Farrugia  
Director

Date: 17 MAY 2017

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**KAPPA SHARES INVESTMENTS LIMITED**

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**INCOME STATEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2016**

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The Company has not traded during the year. During this period, the Company received no income and incurred no expenditure and therefore made neither profit or loss.

**KAPPA SHARES INVESTMENTS LIMITED**  
**REGISTERED NUMBER: 08319363**

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2016**

	Note	2016 £	2015 £
<b>Fixed assets</b>			
Investments	3	712,189	712,189
		<u>712,189</u>	<u>712,189</u>
Creditors: amounts falling due within one year	4	(264,128)	(264,128)
<b>Net current liabilities</b>		<u>(264,128)</u>	<u>(264,128)</u>
<b>Total assets less current liabilities</b>		<u>448,061</u>	<u>448,061</u>
<b>Net assets</b>		<u><u>448,061</u></u>	<u><u>448,061</u></u>
<b>Capital and reserves</b>			
Called up share capital		10	10
Profit and loss account		448,051	448,051
		<u>448,061</u>	<u>448,061</u>

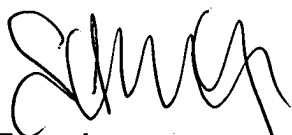
For the year ended 31 December 2016 the Company was entitled to exemption from audit under section 480 of the Companies Act 2006.

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 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:



**S Farrugia**  
Director

Date: 17 MAY 2017

The notes on pages 5 to 8 form part of these financial statements.

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## KAPPA SHARES INVESTMENTS LIMITED

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

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#### **1. Accounting policies**

##### **1.1 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 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 accounting policies.

##### **1.2 Going concern**

The financial statements have been prepared on a going concern basis. The directors consider this to be appropriate given the strength of the balance sheet.

##### **1.3 Valuation of investments**

Investments in subsidiaries are measured at cost less accumulated impairment.

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## KAPPA SHARES INVESTMENTS LIMITED

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

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#### 1. Accounting policies (continued)

##### 1.4 Financial instruments

The Company only enters into basic financial instruments 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 non-puttable 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 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.

Investments in non-convertible preference shares and in non-puttable ordinary and preference shares are measured:

- at fair value with changes recognised in the income statement if the shares are publicly traded or their fair value can otherwise be measured reliably;
- at cost less impairment for all other investments.

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.

##### 1.5 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.

##### 1.6 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. Dividends on shares recognised as liabilities are recognised as expenses and classified within interest payable.



# KAPPA SHARES INVESTMENTS LIMITED

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

### 2. Dividends

	2016 £	2015 £
Dividends	-	70,000
	<u>-</u>	<u>70,000</u>

### 3. Fixed asset investments

	Investment in subsidiary £
<b>Cost or valuation</b>	
At 1 January 2016	712,189
At 31 December 2016	<u>712,189</u>
<b>Net book value</b>	
At 31 December 2016	<u>712,189</u>
At 31 December 2015	<u>712,189</u>

#### Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Class of shares	Holding	Principal activity
Kappa Shares Limited	Ordinary	100 %	Investment company

The aggregate of the share capital and reserves as at 31 December 2016 and of the profit or loss for the year ended on that date for the subsidiary undertakings were as follows:

	Aggregate of share capital and reserves £	Profit £
Kappa Shares Limited	1,308,296	122,436
	<u>1,308,296</u>	<u>122,436</u>

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**KAPPA SHARES INVESTMENTS LIMITED**

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

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**4. Creditors: Amounts falling due within one year**

	<b>2016 £</b>	<b>2015 £</b>
Amounts owed to group undertakings	<b>264,128</b>	<b>264,128</b>
	<b><u>264,128</u></b>	<b><u>264,128</u></b>

**5. Financial instruments**

	<b>2016 £</b>	<b>2015 £</b>
Financial liabilities measured at amortised cost	<b>264,128</b>	<b>(264,128)</b>
	<b><u>264,128</u></b>	<b><u>(264,128)</u></b>

Financial liabilities measured at amortised cost comprise of amounts owed to group undertakings.

**6. Related party transactions**

Under FRS 102 Section 33, the company is exempt from disclosing related party transactions with its subsidiary.

**7. Controlling party**

The ultimate controlling party of the entity is S A Farrugia.