

Company Registration No. 00987006 (England and Wales)

FRANK TRUMAN LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018
PAGES FOR FILING WITH REGISTRAR



FRANK TRUMAN LIMITED

COMPANY INFORMATION

Directors	H L Jaffer H A D Suleman M Jetha M Raman
Secretary	H A D Suleman
Company number	00987006
Registered office	Kirkland House 11-15 Peterborough Road Harrow Middlesex HA1 2AX
Accountants	Gittins Mulderrig 6 High Street Northwood Middlesex HA6 1BN
Business address	Kirkland House 11-15 Peterborough Road Harrow Middlesex HA1 2AX

FRANK TRUMAN LIMITED

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FRANK TRUMAN LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2018

	Notes	2018 £	£	2017 £	£
Fixed assets					
Tangible assets	5		28,731		38,308
Investment properties	6		577,510		641,145
Investments	7		200		100
			<u>606,441</u>		<u>679,553</u>
Current assets					
Debtors	9	6,667,152		6,034,535	
Cash at bank and in hand		9,081		29,348	
		<u>6,676,233</u>		<u>6,063,883</u>	
Creditors: amounts falling due within one year	10	(5,982,914)		(5,305,687)	
Net current assets			693,319		758,196
Total assets less current liabilities			<u>1,299,760</u>		<u>1,437,749</u>
Creditors: amounts falling due after more than one year	11		-		(9,231)
Provisions for liabilities			(24,100)		(25,403)
Net assets			<u>1,275,660</u>		<u>1,403,115</u>
Capital and reserves					
Called up share capital	12		30,100		30,000
Profit and loss reserves			1,245,560		1,373,115
Total equity			<u>1,275,660</u>		<u>1,403,115</u>

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

For the financial year ended 31 December 2018 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

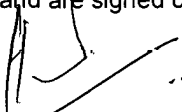
These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime.

FRANK TRUMAN LIMITED

BALANCE SHEET (CONTINUED)

AS AT 31 DECEMBER 2018

The financial statements were approved by the board of directors and authorised for issue on 16 September 2019 and are signed on its behalf by:



H L Jaffer
Director

Company Registration No. 00987006

FRANK TRUMAN LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2018

1 Accounting policies

Company information

Frank Truman Limited is a private company limited by shares incorporated in England and Wales. The registered office is Kirkland House, 11-15 Peterborough Road, Harrow, Middlesex, HA1 2AX.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

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 financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that it is probable will be recovered.

1.3 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures, fittings & equipment	25% Reducing balance
Motor vehicles	

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

FRANK TRUMAN LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

1 Accounting policies

(Continued)

1.4 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in profit or loss.

Where fair value cannot be achieved without undue cost or effort, investment property is accounted for as tangible fixed assets.

1.5 Fixed asset investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

An associate is an entity, being neither a subsidiary nor a joint venture, in which the company holds a long-term interest and where the company has significant influence. The company considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

Entities in which the company has a long term interest and shares control under a contractual arrangement are classified as jointly controlled entities.

1.6 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

FRANK TRUMAN LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

1 Accounting policies

(Continued)

1.7 Cash at bank and in hand

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.8 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally 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.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.9 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

FRANK TRUMAN LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

1 Accounting policies

(Continued)

1.10 Derivatives

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to fair value at each reporting end date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

A derivative with a positive fair value is recognised as a financial asset, whereas a derivative with a negative fair value is recognised as a financial liability.

1.11 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.12 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.13 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

FRANK TRUMAN LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

1 Accounting policies

(Continued)

1.14 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to the profit and loss account so as to produce a constant periodic rate of interest on the remaining balance of the liability.

1.15 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the profit and loss account for the period.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 9 (2017: 7).

3 Taxation

	2018 £	2017 £
Current tax		
UK corporation tax on profits for the current period	(13,700)	62,000
Adjustments in respect of prior periods	(226)	-
Total current tax	<u>(13,926)</u>	<u>62,000</u>
Deferred tax		
Origination and reversal of timing differences	(1,303)	(3,000)
Other adjustments	-	(1,198)
Total deferred tax	<u>(1,303)</u>	<u>(4,198)</u>
Total tax (credit)/charge	<u>(15,229)</u>	<u>57,802</u>

4 Dividends

	2018 £	2017 £
Interim paid	<u>60,000</u>	<u>60,000</u>

FRANK TRUMAN LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2018

5 Tangible fixed assets

	Plant and machinery etc £
Cost	
At 1 January 2018 and 31 December 2018	191,463
Depreciation and impairment	
At 1 January 2018	153,155
Depreciation charged in the year	9,577
At 31 December 2018	162,732
Carrying amount	
At 31 December 2018	28,731
At 31 December 2017	38,308

6 Investment property

	2018 £
Fair value	
At 1 January 2018	641,145
Additions	27,510
Disposals	(91,145)
At 31 December 2018	577,510

Investment property held at the balance sheet date comprises residential properties in Scotland, held for rental potential and capital growth. The fair value of the investment property brought forward had been arrived at on the basis of a valuation carried out in September 2016 by Colliers, Chartered Surveyors, who are not connected with the company. The valuation was made on an open market value basis by reference to market evidence of transaction prices for similar properties and the directors have taken this valuation, together with the cost of additions made during the period and disposals made to a group company, as the fair value of the investment property at 31 December 2018.

7 Fixed asset investments

	2018 £	2017 £
Investments	200	100

The investment in the ordinary shares of subsidiary companies is stated at cost.

FRANK TRUMAN LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2018

7 Fixed asset investments (Continued)

Movements in fixed asset investments

	Shares in group undertakings £
Cost or valuation	
At 1 January 2018	100
Additions	100
At 31 December 2018	200
Carrying amount	
At 31 December 2018	200
At 31 December 2017	100

8 Subsidiaries

These financial statements are separate company financial statements for Frank Truman Limited. The company and its wholly owned subsidiaries, Ayre Properties Limited and Taj Securities Company Number Two Limited, form a small group and consolidated financial statements have not been prepared.

Details of the company's subsidiaries at 31 December 2018 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
Ayre Properties Limited	United Kingdom	Property investment	Ordinary	100.00	
Taj Securities Company Number Two Limited	United Kingdom	Property investment & Hoteliers	Ordinary	100.00	

The investment in subsidiaries is stated at cost.

FRANK TRUMAN LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2018

9 Debtors

	2018	2017
	£	£
Amounts falling due within one year:		
Trade debtors	66,024	270,826
Corporation tax recoverable	13,700	-
Other debtors	6,587,428	5,763,709
	<u>6,667,152</u>	<u>6,034,535</u>

10 Creditors: amounts falling due within one year

	2018	2017
	£	£
Bank loans and overdrafts	429,326	444,031
Trade creditors	32,666	77,812
Corporation tax	61,774	171,194
Other taxation and social security	7,266	68,290
Other creditors	5,451,882	4,544,360
	<u>5,982,914</u>	<u>5,305,687</u>

11 Creditors: amounts falling due after more than one year

	2018	2017
	£	£
Other creditors	-	9,231
	<u>-</u>	<u>9,231</u>

12 Called up share capital

	2018	2017
	£	£
Ordinary share capital		
Issued and fully paid		
30,100 Ordinary shares of £1 each	30,100	30,000
	<u>30,100</u>	<u>30,000</u>

13 Related party transactions

At 31 December 2018 the company owed £149,793 (2017: £105,204) to H L Jaffer, a director and shareholder, to whom a dividend of £60,000 (2017: £60,000) was paid during the period. Amounts owing are short term and repayable on demand.

Transactions with related parties

The following amounts were outstanding at the reporting end date:

FRANK TRUMAN LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

13 Related party transactions

(Continued)

At the balance sheet date the company owed the following amounts to related parties, being companies related by virtue of common ownership and/or control: Leena Homes Limited £233,864 (2017: £112,248), Leena Group Limited £89,740 (2017: £55,090); Truman Securities Limited £344,687 (2017: £360,520); Premier Euro Hotels Limited £0 (2017: £113,281) Destination Hotels Limited £0 (2017: £98,164) Leena Plaza Limited £0 (2017: £11,738); Chilworth Manor Hotels Limited £135,000 (2017: £2,778). The Angel Hotel (Chippenham) Limited £37,200 (2017: £0); Dashwood Corp Limited £2,388 (2017: £0) and Culverpalm Europe Limited £4,272 (2017: £55,514). The balance with Leena Homes Limited arises from that company invoicing for service charge rent and management fees whilst Frank Truman Limited paid expenses on behalf of that company. Whereas management fees are charged to Truman Securities Limited, Premier Euro Hotels Limited and Chilworth Manor Hotel Limited, the year end balances due to these companies are, primarily, a result of net loans afforded to Frank Truman Limited. Culverpalm Europe Limited, the Angel Hotel (Chippenham) Limited and Leena Group Limited also provided the company with short term loans. All amounts are repayable on demand.

The following amounts were outstanding at the reporting end date:

At the balance sheet date the company was owed the following material amounts by companies related by virtue of common ownership or directorship and/or control: Finbar Investments International Limited £123,616 (2017: £4,226,627); Ayre Properties Limited £566,474 (2017: £583,604); Urbanscope Limited £7,157 (2017: £7,507); Valuetimes Limited £4,544 (2017: £4,469); Linacom Limited £222,337 (2017: £179,899); Falcon Hotel Limited £322,702 (2017: £117,077) and Chasemex Limited £0 (2017: £59,014). Other short term loans and transactions with related parties during the period gave rise to the following debtors for which there were no comparative amounts due in 2017: Swissgn NV £59,187; Post House Investments Ltd £98,952; Bath Resorts Limited £14,232; Sea Securities Limited £100,000; Great Leap Limited £23,700; Frank Truman Asia Pte £22,711; Premier Euro Hotels Limited £98,090; Castle Kendall Limited £118,903; Taj Securities Limited £130,857; Taj securities Company Number Two Limited £2,121,190. Movements in balances due from Urbanscope Limited and Valuetimes Limited are a result of the payment of expenses on behalf of these companies. Finbar Investments International Limited which was provided with investment funding on a short term loan basis and also assumed other party debts during the previous period repaid the major part of its debt by the balance sheet date and this allowed the company to provide new or extend existing short term finance facilities to related parties. Ayre Properties Limited and Taj Securities Company Number Two Limited were wholly owned subsidiaries of Frank Truman Limited at the balance sheet date and owed the company at the year end in respect of monies due on the acquisition of investment properties and other expenses incurred on their behalf. All debts are repayable on demand.