

Company Registration No. 02679097 (England and Wales)

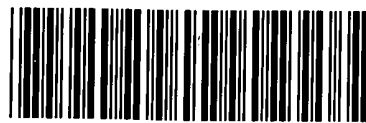
EQUITY TRUST LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 28 FEBRUARY 2017

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EQUITY TRUST LIMITED

COMPANY INFORMATION

Directors	Mr P Wattam Mr M A Kfour
Secretary	Mr P Wattam
Company number	02679097
Registered office	Units 1 & 2 Harrow Park Harrow Road Hereford HR4 0EN
Auditor	Griffiths Marshall Beaumont House 172 Southgate Street Gloucester GL1 2EZ
Business address	E T L, Lansdown Henmore Lane Weare Axbridge Somerset BS26 2LB

EQUITY TRUST LIMITED

CONTENTS

	Page
Balance sheet	1
Notes to the financial statements	2 - 6

EQUITY TRUST LIMITED

BALANCE SHEET


AS AT 28 FEBRUARY 2017

	Notes	2017 £	£	2016 £	£
Current assets					
Debtors	4	1,762		1,607	
Cash at bank and in hand		327,590		59,873	
		<u>329,352</u>		<u>61,480</u>	
Creditors: amounts falling due within one year	5	(280,535)		(900)	
Net current assets			48,817		60,580
Creditors: amounts falling due after more than one year	6		(3,552,949)		(7,590,490)
Net liabilities			<u>(3,504,132)</u>		<u>(7,529,910)</u>
Capital and reserves					
Called up share capital	7	2,250,000		2,250,000	
Profit and loss reserves		(5,754,132)		(9,779,910)	
Total equity		<u>(3,504,132)</u>		<u>(7,529,910)</u>	

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

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

The financial statements were approved by the board of directors and authorised for issue on 7 September 2017 and are signed on its behalf by:


Mr P Wattam
Director


Mr M A Kfour
Director

Company Registration No. 02679097

EQUITY TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 28 FEBRUARY 2017

1 Accounting policies

Company information

Equity Trust Limited is a private company limited by shares incorporated in England and Wales. The registered office is Units 1 & 2, Harrow Park, Harrow Road, Hereford, HR4 0EN.

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

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.

These financial statements for the year ended 28 February 2017 are the first financial statements of Equity Trust Limited prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 March 2015. The reported financial position and financial performance for the previous period are not affected by the transition to FRS 102.

1.2 Going concern

The company and its subsidiary meet both their long term financing and short term working capital requirements from a combination of bank borrowings and finance from the company's parent and other investors. At 29th February 2016 the following borrowings existed in Equity Trust Limited: Investor loans £3,552,949 (2016 - £7,765,490)

The terms of these loans are shown in note 8 to the accounts, and the directors do not expect any repayments on these borrowings to be demanded within a period of 12 months from the date of approval of these accounts.

The company has estimated cashflow requirements for the company and its subsidiary Chainings Limited for the year to 28th February 2017 and has given consideration to the period beyond that time. The directors have estimated that, taken together, no further net cash investment will be required into the subsidiary during that time. However, there can be no certainty as to this matter, and further sums may need to be made available. In particular, the company has given assurances of continued financial support to its subsidiary, Chainings Limited, as detailed in note 6 to the accounts.

The directors are at present confident that, when required, the sums will be made available, either through increased bank facilities or further loans. Accordingly, the directors believe it is appropriate to prepare the accounts on a going concern basis. However, were these sums not to be made available, or were the support of the parent or other investors to be withdrawn, adjustments might need to be made to the carrying values of assets and liabilities of the company and the group. The financial statements do not include any adjustments which might prove necessary were these supports to be withdrawn.

Furthermore, loans have been made available to the company's subsidiary to finance their growth and development. The ability of the subsidiary company to repay these sums on the dates shown is dependent on the subsidiary generating sufficient profits and cash from their future trading, and is therefore subject to uncertainty, as the subsidiary currently have net liabilities (see note 5). The accounts do not include any adjustments which might prove necessary were the subsidiary unable to pay their debts to the company as they fall due.

EQUITY TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 28 FEBRUARY 2017

1 Accounting policies

(Continued)

1.3 Cash and cash equivalents

Cash and cash equivalents 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.

1.4 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.

1.5 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.

EQUITY TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 28 FEBRUARY 2017

1 Accounting policies

(Continued)

1.6 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.

1.7 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 1 (2016 - 1).

3 Subsidiaries

Details of the company's subsidiaries at 28 February 2017 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
Chainings Limited	England & Wales	Oil Filters	Ordinary	100.00	

The aggregate capital and reserves and the result for the year of the subsidiaries noted above was as follows:

Name of undertaking	Profit/(Loss)	Capital and Reserves
	£	£
Chainings Limited	(34,107)	(1,084,963)

4 Debtors

	2017	2016
Amounts falling due within one year:	£	£
Other debtors	1,762	1,607

EQUITY TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 28 FEBRUARY 2017

5 Creditors: amounts falling due within one year

	2017 £	2016 £
Other creditors	280,535	900

6 Creditors: amounts falling due after more than one year

	2017 £	2016 £
Other creditors	3,552,949	7,590,490

7 Called up share capital

	2017 £	2016 £
Ordinary share capital Issued and fully paid 250,000 Ordinary shares of £1 each	250,000	250,000
Preference share capital Issued and fully paid 2,000,000 Non voting redeemable preference shares of £1 each	2,000,000	2,000,000

8 Audit report information

As the income statement has been omitted from the filing copy of the financial statements the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

Emphasis of Matter

In forming our opinion, we have considered the continuing support of the company's parent company and other providers of loan finance, and the ability of the company's subsidiaries to repay their debts to the company when they fall due. The financial statements do not include any adjustments that would result from a failure to achieve a successful resolution of these matters. In view of the significance of these uncertainties we consider that they should be drawn to your attention but our opinion is not qualified in this respect.

The senior statutory auditor was Stephen Humphries.

The auditor was Griffiths Marshall.

9 Events after the reporting date

There are no material post balance sheet events that effect these financial statements.

EQUITY TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 28 FEBRUARY 2017

10 Related party transactions

At the year end a total of £1,552,949 (2016 -£1,552,949) was owed from Chainings Ltd.

At the year end a total of £3,552,949 (2016 - £7,590,490) was owed to Abdul Rahman Mahmoud Fakhry & Jawaher Mahmoud Fakhry jointly and included in non current liabilities. Abdul Rahman Mahmoud Fakhry & Jawaher Mahmoud Fakhry were also owed £279,535 (2016-£nil) jointly as a directors loan account and included in current liabilities.

11 Controlling Party

The ultimate controlling parties are Mr Abdul Rahman Mahmoud Fakhry & Ms Jawaher Mahmoud Fakhry jointly holding 100% of the company share capital.