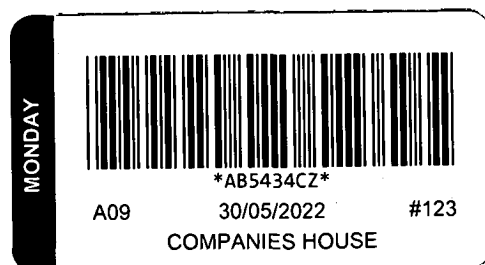




**STRATEGIC REPORT, REPORT OF THE DIRECTORS AND**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JANUARY 2022**  
**FOR**  
**FAROL LIMITED**



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**FOR THE YEAR ENDED 31 JANUARY 2022**

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**FAROL LIMITED**

**COMPANY INFORMATION**  
**FOR THE YEAR ENDED 31 JANUARY 2022**

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<b>DIRECTORS:</b>	Mr M E Vellacott Mr B T Vellacott Mr J R C Moore Mr M J Balch Mr G Champion
<b>SECRETARY:</b>	Mr B T Vellacott
<b>REGISTERED OFFICE:</b>	Rycote Lane Farm Milton Common Thame Oxfordshire OX9 2NZ
<b>REGISTERED NUMBER:</b>	04157398 (England and Wales)
<b>SENIOR STATUTORY AUDITOR:</b>	David Barr BSc FCA
<b>AUDITORS:</b>	Martin and Company Audit Limited Chartered Accountants and Statutory Auditors 25 St Thomas Street Winchester Hampshire SO23 9HJ
<b>BANKERS:</b>	Lloyds Bank Plc The Atrium Davidson House Forbury Square Reading RG1 3EU

**STRATEGIC REPORT**  
**FOR THE YEAR ENDED 31 JANUARY 2022**

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The directors present their strategic report for the year ended 31 January 2022.

**Review of the business**

We are pleased to report that turnover has increased 36% to £144m from £106m last year. The gross profit margin has remained strong at 12.6% compared to 13.8% in the previous year, due to the large increase in wholegood sales. The company achieved a net profit before tax of £4.7m.

Shareholders' Funds amount to £18,242,430 (2021: £14,530,818).

**Funding**

The Company banks with Lloyds Bank Plc. We have kept within our facilities during the year.

**John Deere and other core brands**

Our major supplier, John Deere, has a strong product portfolio and continues to have the largest market share both in the UK and globally. Together with our other prestigious brands which include Kramer, Kuhn, Bailey Trailers, Yanmar and Bomford, we continue to supply a broad range of quality innovative products and enjoy excellent market share.

John Deere and other core brands set us product targets and business objectives. We are pleased to confirm we continue to exceed these targets and meet their business objectives. We are grateful for their continued support and recognise that ongoing success is dependent upon retaining these good relationships with key suppliers.

**Key performance indicators**

The directors use KPIs to measure monthly performance against previous periods and budget. The management reviews each depot's contribution for each division of the business. The business divisions are segregated between agricultural, golf and turf, construction, tyres, transport and financial services. Each division is split by department for sales (wholegoods), parts and service. The KPIs utilised are revenue, gross margin, absorption, operating profit and cashflow.

The directors also use 'non-financial' performance indicators such as the number of wholegood units sold and market share, labour recovery rates, parts stock turn and machine down percentages. In addition a Customer Satisfaction Index is monitored monthly.

**Principal risks and uncertainties**

Taking risks is all part of entrepreneurial activity and its assessment is inherent in our culture. The principal risks and corresponding controls identified are as follows:-

**Business strategy**

The directors recognise the importance of having a strong business strategy. The strategic risk of business options is reviewed by the board, with a view to providing long term growth. The key areas of focus are:

- \* Growth through additional John Deere Areas of Responsibility and Diversification
- \* Market Share
- \* Engaged Hectares
- \* Customer Experience
- \* Staff Satisfaction

**Health and safety**

The board recognises that health and safety in the workplace is paramount, and it is therefore taken very seriously. The Directors believe that they have all the necessary policies and procedures in place to safeguard the health, safety and welfare of its staff and anyone affected by our work activities. We employ a full time Chartered Health and Safety Practitioner as the Group H&S Manager who follows the HSE "Leading health and safety at work" INDG417 as their management system.

**STRATEGIC REPORT**  
**FOR THE YEAR ENDED 31 JANUARY 2022**

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**Economic and market risks**

The company's market demand is affected by economic cycles and sector specific factors (such as commodity prices for farmers, or membership renewals for golf clubs). By operating in a range of business sectors the company is able to mitigate the risk of severe drops in demand in any one market. It also seeks to maintain a strong balance sheet and takes a long term view in building customer and supplier relationships, both of which help it cope with short term economic shocks.

**Competitor Risk**

The company operates in a competitive market which is influenced by price pressures and competitors attempting to increase market share. To reduce this risk, we concentrate on promoting industry leading customer service whilst operating in a diverse range of markets with a wide range of franchises.

**Business continuity**

A major disaster such as flood, loss of power or IT crash could impact on the ability of the business to trade. The board is aware of such risks and has plans in place should one depot suffer such a crisis, to enable the business as a whole to continue.

**Financial risk management objectives and policies**

The directors aim to minimise the financial risk to the company and manage this as follows:

**Interest rate risk**

The company has hire purchase and finance lease debts for the purchase of stock and assets. These are at fixed interest rates from their inception and so no risk of interest rate increases arises. In addition the company has a bank overdraft facility and a loan from its parent company, both of which are tied to the bank base rate.

**Credit risk**

The company monitors and checks credit ratings of its customers closely and considers that this policy meets the objective of managing and minimising exposure to credit risk.

**Liquidity risk**

The company controls cashflow by careful budgeting which ensures liquidity is maintained.

**Currency risk**

The company carries out a proportion of its trade in Europe. The exposure to foreign currency risk is minimised by setting the majority of prices in a sterling equivalent and maintaining a minimum timeframe between invoicing and cash receipt. In addition the euro bank account is managed to enable purchases to be made efficiently. The company does not carry out any hedging activities.

**STRATEGIC REPORT**  
**FOR THE YEAR ENDED 31 JANUARY 2022**

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**SECTION 172(1) STATEMENT**

As the board at Farol Limited, we have a legal responsibility under section 172 of the Companies Act 2006 to act in a way we consider, in good faith, would be most likely to promote the company's success for the benefit of its members as a whole, and to have regard to the long-term effect of our decisions on the company and its stakeholders. This statement addresses the ways in which we as a board outwork this responsibility.

**Promoting the company's success for its members**

Farol Limited was started by George Vellacott in 1976 and the company continues to be controlled and run by the Vellacott family. The company now employs over 270 staff and is a market leader in the agricultural and groundcare industries. For nearly half a century the company has provided employment, training and financial reward for its owners and employees.

The company operates from six depots covering various parts of the country and part of the Company's strategy for growth includes the expansion of its dealer network. The company continues to expand its area and during the year has opened a new depot in Newark.

With thanks to a strong prestigious brand portfolio the company continues to explore possibilities and in doing so aims to maximise the company's ability to grow market share whilst returning value to the Vellacott family shareholders.

The board makes strategic decisions based on long-term objectives and has invested significantly over the years to ensure that we can deliver high quality innovative products to our customers and provide excellent customer aftercare.

**Engaging with stakeholders**

Our key stakeholders, and the ways in which we engage with them, are as follows:

**Our employees**

We are one of the leading John Deere dealers in the UK with people at the heart of its strategy. We rely on a skilled team of product service advisors, technicians, agricultural engineers and a highly motivated sales force who are critical to the success of the business. We are renowned for our customer service which requires us to adapt to ever increasing demands for our products. This cannot be achieved without the dedication, expertise, skill and professionalism of the workforce.

Recruitment and retention of staff is therefore considered very important and we engage with staff members by:

- setting competitive remuneration packages and rewarding performance with bonuses at all levels;
- carrying out regular appraisals of staff members;
- providing training and career development support;
- ensuring that staff members are present at management meetings and involved in decision making.

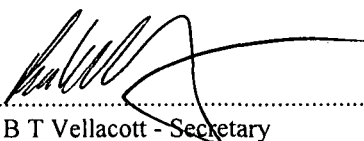
**Our customers**

Innovation is crucial to the continuing success of the business so that we can continue to offer customers the best quality products and service. A Customer Satisfaction Index is monitored monthly to ensure good customer feedback.

**Our Community**

As a family-run company we have invested over the years in our local community and sponsor various events on an annual basis. We also make various charitable donations throughout the year as detailed in the directors report.

**ON BEHALF OF THE BOARD:**



.....  
Mr B T Vellacott - Secretary

Date: 28<sup>th</sup> April 2022

**REPORT OF THE DIRECTORS**  
**FOR THE YEAR ENDED 31 JANUARY 2022**

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The directors present their report with the financial statements of the company for the year ended 31 January 2022.

**PRINCIPAL ACTIVITY**

The principal activity of the company in the year under review was that of the sale of new and used farm machinery and golf and turf equipment as John Deere main dealers, together with their repair and servicing.

**DIVIDENDS**

The total distribution of dividends for the year ended 31 January 2022 will be £376,112.

The directors recommend that no final dividends be paid.

**RESEARCH AND DEVELOPMENT**

The company is currently undertaking research and development to improve the performance of its operational activities which is recognised as an expense in the period in which it is incurred.

**DIRECTORS**

The directors shown below have held office during the whole of the period from 1 February 2021 to the date of this report.

Mr M E Vellacott  
Mr B T Vellacott  
Mr J R C Moore  
Mr M J Balch  
Mr G Champion

M E Vellacott and B T Vellacott hold 2,083 (2021: 2,083) shares each in the company's parent company, Farol Holdings Limited.

The company provided qualifying third party indemnity insurance to all directors during the financial year and at the date of this report.

**POLITICAL AND CHARITABLE CONTRIBUTIONS**

The company made charitable donations of £26,116 (2021 - £15,750) and did not incur any political expenditure during the year.

**GOING CONCERN**

The directors have prepared a forecast up to January 2026. The results to date show that the company is ahead of forecast with the agricultural industry continuing to show a willingness to invest in the John Deere brand. The directors expect similar profitability levels to continue for the foreseeable future and as such adopt the going concern assumptions in preparing the financial statements.

**COMPANY'S POLICY ON PAYMENT OF CREDITORS**

The company makes purchases from suppliers according to the terms and conditions agreed in advance between the two parties. Payments are made to suppliers when the goods or services have been received and the terms and conditions met.

**DISABLED PERSONS**

Applications for employment by disabled persons are always considered fully, having taken into account the specific role and aptitude of the applicant concerned. In the event that employees become disabled during their employment then every effort is made to facilitate their role within the business. The company policy is that training, career development and promotion will be equally available to all employees regardless of disability.

**REPORT OF THE DIRECTORS**  
**FOR THE YEAR ENDED 31 JANUARY 2022**

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**EMPLOYEE INVOLVEMENT**

The company ensures there is active employee participation within the business. During the year, the policy of providing employees with information, including that relating to the economic and financial factors affecting the performance of the company, has been continued.

Regular meetings are held between management and employees to allow the free flow of information and ideas.

**ENGAGEMENT WITH SUPPLIERS, CUSTOMERS AND OTHERS**

Our engagement with suppliers, customers and others are detailed within the strategic report on pages 2 to 4.

**STREAMLINED ENERGY AND CARBON REPORTING**

Farol Limited have 276 employees spread across 6 sites in Oxfordshire, Leicestershire, Berkshire, West Sussex and Nottingham. Across these depots we have a vehicle fleet made up of 6 lorries, 187 vans and 14 cars.

All results have been compiled using data from supplier invoices and external reports, we have also used the Conversion factors index to calculate all conversions from kWh to kgCO<sub>2</sub>e for the relevant energy sources.

Comparisons between this year and last can be found in the table below. The Covid-19 pandemic, which was at its peak in 2020, caused last year's figures to be lower than what would be expected in a normal year, due to the lockdowns restricting travel. This year's figures therefore show an increase, especially in transport fuel, as there has been more travel to customers and depots.

**UK Greenhouse gas emissions and energy use data for the period 1st February 2021 to 31st January 2022**

	<b>31.01.22</b>	<b>31.01.21</b>
Energy consumption used to calculate emissions (kwh)	7,689,050	6,719,562
Energy consumption break down (kwh)		
Gas	232,570	229,300
Electricity	483,596	316,616
Transport fuel	6,972,883	6,173,645
<b>Scope 1 emissions in metric tonnes CO<sub>2</sub>e</b>		
Gas consumption	44.01	44.19
Owned Transport	1650.64	1472.21
<b>Total Scope 1</b>	<b>1694.65</b>	<b>1516.40</b>
<b>Scope 2 emissions in metric tonnes CO<sub>2</sub>e</b>		
Purchased electricity	102.68	82.85
<b>Total Scope 2</b>	<b>102.68</b>	<b>82.85</b>
<b>Total gross emissions in metric tonnes CO<sub>2</sub>e</b>	<b>1797.33</b>	<b>1599.25</b>
<b>Intensity ratio tonne CO<sub>2</sub>e per million £ sales revenue</b>	<b>12.06</b>	<b>14.67</b>
<b>Intensity ratio tonne CO<sub>2</sub>e per employee</b>	<b>6.51</b>	<b>6.61</b>

**Quantification and reporting methodology**

We have followed the 2019 HM Government Environmental Reporting Guidelines. We have also used the GHG Reporting Protocol Corporate Standard and have used the 2020 UK Government's Conversion Factors for Company Reporting.

**Intensity measurement**

The chosen intensity measurement ratio is total gross emissions in metric tonnes CO<sub>2</sub>e per employee and per million £ of sales revenue.



**REPORT OF THE DIRECTORS**  
**FOR THE YEAR ENDED 31 JANUARY 2022**

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**Measures taken to improve energy efficiency and the environment**

The brand new purpose built building at Newark has an energy performance certificate of A (Certificate number 2648-5514-6398-9764-9482) valid until 26th August 2031. Fuel grid supplied electricity, Air source heat pump underfloor heating. Building emission rate (KgCO<sub>2</sub>/m<sup>2</sup> per year) 16.14. Primary energy use (kWh/m<sup>2</sup> per year) 95. Electric car charging point. An additional building and staff numbers has increased the energy consumption and CO<sub>2</sub> figures.

All depots: where not already in place we are changing non LED lighting to LED lighting as part of an improvement programme around business including PIR lighting control.

We are encouraging less travel between depots, with more use of microsoft teams etc, and vehicle sharing.

The technician and apprentice training is now using hybrid working, alternating between college and workplace learning, which has reduced vehicle usage and overnight accommodation.

We are participating in the supply chain scope 3 reporting requirements when asked by suppliers and customers.

When working on customers AC units in machinery, the Fluorinated gases are removed, go through a recovery unit, cleaned and put back in we are looking to move to replace 134A with 1234YF for John Deere machinery.

Our purchasing policy for the motor fleet takes into account energy consumption/emissions with a number of electric or hybrid vehicles now in use.

We are LGV fleet LEZ compliant and meet ULEZ emission standards. Waste oil is recycled through waste oil heaters to provide heating.

Going forward into 2022-2023 the business is looking to draw up a Carbon Reduction Plan in accordance with PPN 06/21 and fully update the Environmental Policy in accordance with net zero.

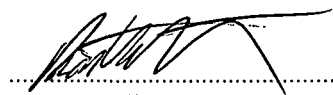
**STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

**AUDITORS**

The auditors, Martin and Company Audit Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

**ON BEHALF OF THE BOARD:**

  
.....  
Mr B T Vellacott - Secretary

Date: 28<sup>th</sup> April 2022

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**  
**FOR THE YEAR ENDED 31 JANUARY 2022**

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The directors are responsible for preparing the Strategic Report, the Report of the Directors and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have 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 directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are 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. They are 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.

## **REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF FAROL LIMITED**

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### **Opinion**

We have audited the financial statements of Farol Limited (the 'company') for the year ended 31 January 2022 which comprise the Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity, Statement of Cash Flows and Notes to the Statement of Cash Flows, Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 January 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

### **Other information**

The directors are responsible for the other information. The other information comprises the information in the Strategic Report, the Report of the Directors and the Statement of Directors' Responsibilities, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.

## **REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF FAROL LIMITED**

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

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Report of the Directors.

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 directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

### **Responsibilities of directors**

As explained more fully in the Statement of Directors' Responsibilities set out on page eight, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

### **Auditors' responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We obtained an understanding of the legal and regulatory framework applicable to the company via discussions with the directors and our previous knowledge of the company. This identified that the most significant laws and regulations relate to the form and content of the financial statements such as the UK Companies Act 2006 and Financial Reporting Standard 102. The company complies with these laws and regulations by using appropriately qualified professionals to prepare the financial statements.

As part of our planning process we assessed susceptibility of the company's financial statements to material misstatements, including how fraud might occur by making an assessment of the key risks. The key risks identified in respect of Farol Limited are revenue recognition and the impact of performance targets on influencing management override, payroll and misappropriation of stock by staff members. Risks also arise from accounting estimates made by the directors which include provision for bad debts, stock provisions and depreciation policy. The directors confirmed no actual, suspected or alleged cases of fraud.

Based on this assessment we designed our audit procedures to address these key risk areas with an emphasis on testing sales and stock cut off and those areas susceptible to management override including testing manual journals, testing of payroll records, attendance at the year end stock take and making enquiries of management. We also assessed the reasonableness of bad debt and stock provisions and depreciation rates used.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Auditors.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF  
FAROL LIMITED**

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**Use of our report**

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 a Report of the Auditors 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.

David Barr BSc FCA (Senior Statutory Auditor)  
for and on behalf of Martin and Company Audit Limited  
Chartered Accountants  
and Statutory Auditors  
25 St Thomas Street  
Winchester  
Hampshire  
SO23 9HJ

Date: .....

**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 31 JANUARY 2022**

	Notes	31.1.22 £	31.1.21 £
<b>TURNOVER</b>	3	144,041,597	105,537,881
Cost of sales		<u>126,237,212</u>	<u>90,960,417</u>
<b>GROSS PROFIT</b>		17,804,385	14,577,464
Administrative expenses		<u>12,807,347</u>	<u>10,483,189</u>
		4,997,038	4,094,275
Other operating income		<u>105,226</u>	<u>232,739</u>
<b>OPERATING PROFIT</b>	5	5,102,264	4,327,014
Interest receivable and similar income		<u>30,892</u>	<u>91,448</u>
		5,133,156	4,418,462
Interest payable and similar expenses	6	<u>414,838</u>	<u>286,357</u>
<b>PROFIT BEFORE TAXATION</b>		4,718,318	4,132,105
Tax on profit	7	<u>630,594</u>	<u>681,642</u>
<b>PROFIT FOR THE FINANCIAL YEAR</b>		4,087,724	3,450,463
<b>OTHER COMPREHENSIVE INCOME</b>		-	-
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<u>4,087,724</u>	<u>3,450,463</u>

The notes form part of these financial statements

**STATEMENT OF FINANCIAL POSITION**  
**31 JANUARY 2022**

	Notes	31.1.22 £	31.1.21 £
<b>FIXED ASSETS</b>			
Tangible assets	9	10,574,895	6,449,217
Investments	10	<u>1</u>	<u>1</u>
		10,574,896	6,449,218
<b>CURRENT ASSETS</b>			
Stocks	11	42,317,341	29,504,434
Debtors	12	16,291,881	10,408,185
Cash in hand		<u>2,524,031</u>	<u>3,242,468</u>
		61,133,253	43,155,087
<b>CREDITORS</b>			
Amounts falling due within one year	13	<u>49,959,528</u>	<u>32,877,673</u>
<b>NET CURRENT ASSETS</b>		<u>11,173,725</u>	<u>10,277,414</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		21,748,621	16,726,632
<b>CREDITORS</b>			
Amounts falling due after more than one year	14	(2,255,815)	(1,382,646)
<b>PROVISIONS FOR LIABILITIES</b>	18	<u>(1,250,376)</u>	<u>(813,168)</u>
<b>NET ASSETS</b>		<u>18,242,430</u>	<u>14,530,818</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	19	27,900	27,900
Share premium	20	21,400	21,400
Capital redemption reserve	20	4,200	4,200
Retained earnings	20	<u>18,188,930</u>	<u>14,477,318</u>
<b>SHAREHOLDERS' FUNDS</b>		<u>18,242,430</u>	<u>14,530,818</u>

The financial statements were approved by the Board of Directors and authorised for issue on 23rd March 2022 and were signed on its behalf by:



Mr M E Vellacott - Director



Mr B T Vellacott - Director

The notes form part of these financial statements

**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 31 JANUARY 2022**

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	Called up share capital £	Retained earnings £	Share premium £	Capital redemption reserve £	Total equity £
Balance at 1 February 2020	27,900	15,485,862	21,400	4,200	15,539,362
Changes in equity					
Dividends	-	(4,459,007)	-	-	(4,459,007)
Total comprehensive income	-	3,450,463	-	-	3,450,463
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Balance at 31 January 2021	27,900	14,477,318	21,400	4,200	14,530,818
Changes in equity					
Dividends	-	(376,112)	-	-	(376,112)
Total comprehensive income	-	4,087,724	-	-	4,087,724
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Balance at 31 January 2022	27,900	18,188,930	21,400	4,200	18,242,430

The notes form part of these financial statements



**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 JANUARY 2022**

	Notes	31.1.22 £	31.1.21 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	(526,625)	6,813,265
Interest paid		(284,106)	(183,985)
Interest element of hire purchase payments paid		(130,732)	(102,372)
Tax paid		(850,009)	(276,640)
Net cash from operating activities		<u>(1,791,472)</u>	<u>6,250,268</u>
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		(453,896)	(212,843)
Sale of tangible fixed assets		270,478	168,591
Interest received		<u>30,892</u>	<u>91,448</u>
Net cash from investing activities		<u>(152,526)</u>	<u>47,196</u>
<b>Cash flows from financing activities</b>			
New loans in year		2,500,000	-
Capital repayments in year		(1,064,292)	(601,150)
Hire purchase agreements		165,965	165,630
Equity dividends paid		<u>(376,112)</u>	<u>(4,459,007)</u>
Net cash from financing activities		<u>1,225,561</u>	<u>(4,894,527)</u>
<b>(Decrease)/increase in cash and cash equivalents</b>		<b>(718,437)</b>	<b>1,402,937</b>
<b>Cash and cash equivalents at beginning of year</b>	<b>2</b>	<b>3,242,468</b>	<b>1,839,531</b>
<b>Cash and cash equivalents at end of year</b>	<b>2</b>	<b><u>2,524,031</u></b>	<b><u>3,242,468</u></b>

The notes form part of these financial statements

**NOTES TO THE STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 JANUARY 2022****1. RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS**

	31.1.22 £	31.1.21 £
Profit before taxation	4,718,318	4,132,105
Depreciation charges	1,722,073	1,596,830
Profit on disposal of fixed assets	(200,882)	(142,436)
Finance costs	414,838	286,357
Finance income	(30,892)	(91,448)
	<u>6,623,455</u>	<u>5,781,408</u>
Increase in stocks	(12,918,520)	(3,593,177)
(Increase)/decrease in fleet hire stock	(1,885,410)	(81,918)
Increase in trade and other debtors	(5,662,664)	(1,636,525)
Increase in trade and other creditors	<u>13,316,514</u>	<u>6,343,477</u>
<b>Cash generated from operations</b>	<u>(526,625)</u>	<u>6,813,265</u>

**2. CASH AND CASH EQUIVALENTS**

The amounts disclosed on the Statement of Cash Flows in respect of cash and cash equivalents are in respect of these Statement of Financial Position amounts:

**Year ended 31 January 2022**

	31.1.22 £	1.2.21 £
Cash and cash equivalents	<u>2,524,031</u>	<u>3,242,468</u>

**Year ended 31 January 2021**

	31.1.21 £	1.2.20 £
Cash and cash equivalents	<u>3,242,468</u>	<u>1,839,531</u>

**3. ANALYSIS OF CHANGES IN NET DEBT**

	At 1.2.21 £	Cash flow £	At 31.1.22 £
<b>Net cash</b>			
Cash at bank and in hand	<u>3,242,468</u>	<u>(718,437)</u>	<u>2,524,031</u>
	<u>3,242,468</u>	<u>(718,437)</u>	<u>2,524,031</u>
<b>Debt</b>			
Finance leases	(5,050,324)	(2,574,102)	(7,624,426)
Debts falling due within 1 year	-	(2,500,000)	(2,500,000)
	<u>(5,050,324)</u>	<u>(5,074,102)</u>	<u>(10,124,426)</u>
<b>Total</b>	<u>(1,807,856)</u>	<u>(5,792,539)</u>	<u>(7,600,395)</u>

The notes form part of these financial statements

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JANUARY 2022**

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**1. STATUTORY INFORMATION**

Farol Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

The presentation currency of the financial statements is the Pound Sterling (£).

**2. ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

**Turnover**

Turnover represents net invoiced sales of goods and services, excluding value added tax.

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Hire fleet	- 10% straight line
Improvements to property	- Straight line over 6 years
Plant and machinery	- 15% to 25% straight line
Motor vehicles	- 20% straight line
Computers and office equipment	- 25% straight line

Assets on hire are transferred into fixed assets at the lower of cost or net realisable value when they are expected to be on hire for greater than 6 months.

**Investments in subsidiaries**

Investments in subsidiary undertakings are recognised at cost.

**Stocks**

Stocks and work in progress are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

**Taxation**

Taxation for the year comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the statement of financial position date.

**2. ACCOUNTING POLICIES - continued**

**Deferred tax**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the statement of financial position date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

**Research and development**

Expenditure on research and development is written off in the year in which it is incurred.

**Foreign currencies**

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the statement of financial position date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

**Pension costs and other post-retirement benefits**

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

**Leased assets**

Assets held under finance lease and hire purchase contracts are capitalised in the Balance Sheet and depreciated over their expected useful lives. The interest element of leasing payments represents a constant proportion of the capital balance outstanding and is charged to the Profit and Loss Account over the period of the lease.

All other leases are regarded as operating and the payments made under them are charged to the Profit and Loss Account on a straight line basis over the lease term.

**Financial instruments**

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 entity after deducting all of its financial liabilities.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 JANUARY 2022****2. ACCOUNTING POLICIES - continued****Revenue recognition**

The company derives revenue from the the following sources: (i) sale of new and used machinery, (ii) repair and servicing of machinery, (iii) sale of parts and tyres, (iv) transport services and (v) hire income.

Turnover from the sale of wholegoods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on despatch 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.

Turnover from hire agreements is recognised on a straight line basis over the course of the agreement.

Turnover from repair and servicing work is recognised on completion of the respective job.

Transport services revenue is recognised upon completion of the work carried out.

Turnover in respect of the sale of parts and tyres is at the point of sale.

Rent and commission receivable are recognised in the period to which they relate.

Deferred revenue represents payments for products and service elements received in advance that do not qualify to be recognised as revenue under the company's revenue recognition policy.

**3. TURNOVER**

The turnover and profit before taxation are attributable to the one principal activity of the company.

An analysis of turnover by geographical market is given below:

	31.1.22	31.1.21
	£	£
United Kingdom	135,741,247	95,549,588
Europe	<u>8,300,350</u>	<u>9,988,293</u>
	<u>144,041,597</u>	<u>105,537,881</u>

**4. EMPLOYEES AND DIRECTORS**

	31.1.22	31.1.21
	£	£
Wages and salaries	10,068,412	8,864,466
Social security costs	1,069,902	934,557
Other pension costs	<u>247,301</u>	<u>219,247</u>
	<u>11,385,615</u>	<u>10,018,270</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 JANUARY 2022****4. EMPLOYEES AND DIRECTORS - continued**

The average number of employees during the year was as follows:

	31.1.22	31.1.21
Sales and marketing	49	46
Service	95	91
Parts and warehousing	30	28
Tyres	17	18
Technology	6	5
Distribution and logistics	6	7
Management and administration	59	46
	<u>262</u>	<u>241</u>

	31.1.22	31.1.21
	£	£
Directors' remuneration	390,203	352,185
Directors' pension contributions to money purchase schemes	<u>22,112</u>	<u>20,237</u>

The number of directors to whom retirement benefits were accruing was as follows:

Money purchase schemes	<u>5</u>	<u>5</u>
------------------------	----------	----------

Information regarding the highest paid director is as follows:

	31.1.22	31.1.21
	£	£
Emoluments etc	128,372	114,794
Pension contributions to money purchase schemes	<u>4,666</u>	<u>3,562</u>

**5. OPERATING PROFIT**

The operating profit is stated after charging/(crediting):

	31.1.22	31.1.21
	£	£
Depreciation - owned assets	1,722,073	1,596,830
Profit on disposal of fixed assets	(200,882)	(142,436)
Auditors' remuneration	19,500	16,200
Foreign exchange differences	18,681	(24,973)
Interest on loans from group undertakings	2,391	-
Hire of plant and machinery	372,097	200,830
Other operating leases	1,013,450	884,016
Auditors' remuneration relating to taxation and all other services	25,419	8,063
Government grants	<u>(29,501)</u>	<u>(159,264)</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 JANUARY 2022**

**6. INTEREST PAYABLE AND SIMILAR EXPENSES**

	31.1.22	31.1.21
	£	£
Bank overdraft	57,588	39,642
Other interest payable	-	64
Stocking loan interest	226,518	144,279
Hire purchase and finance leases	<u>130,732</u>	<u>102,372</u>
	<u>414,838</u>	<u>286,357</u>

**7. TAXATION**

**Analysis of the tax charge**

The tax charge on the profit for the year was as follows:

	31.1.22	31.1.21
	£	£
Current tax:		
UK corporation tax	382,372	635,591
Corporation tax - prior year	<u>(188,987)</u>	<u>(123,639)</u>
Total current tax	193,385	511,952
Deferred tax	<u>437,209</u>	<u>169,690</u>
Tax on profit	<u>630,594</u>	<u>681,642</u>

UK corporation tax has been charged at 19% (2021 - 19%).

**Reconciliation of total tax charge included in profit and loss**

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below:

	31.1.22	31.1.21
	£	£
Profit before tax	<u>4,718,318</u>	<u>4,132,105</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2021 - 19%)	896,480	785,100
Effects of:		
Expenses not deductible for tax purposes	23,196	2,780
Capital allowances in excess of depreciation	(525,192)	(138,850)
Adjustments to tax charge in respect of previous periods	(188,987)	(123,639)
Leased asset repayments	(12,112)	(13,439)
Deferred tax	<u>437,209</u>	<u>169,690</u>
Total tax charge	<u>630,594</u>	<u>681,642</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 JANUARY 2022**

**8. DIVIDENDS**

	31.1.22 £	31.1.21 £
Ordinary shares of £1 each		
Interim	<u>376,112</u>	<u>4,459,007</u>

**9. TANGIBLE FIXED ASSETS**

	Hire fleet £	Improvements to property £	Plant and machinery £
<b>COST</b>			
At 1 February 2021	4,598,455	319,648	791,680
Additions	-	-	380,191
Disposals	-	-	(138,867)
Transfers from stock	5,343,141	-	-
Transfers to stock	<u>(1,656,684)</u>	<u>-</u>	<u>-</u>
At 31 January 2022	<u>8,284,912</u>	<u>319,648</u>	<u>1,033,004</u>
<b>DEPRECIATION</b>			
At 1 February 2021	630,492	176,551	541,895
Charge for year	720,408	33,583	127,111
Eliminated on disposal	-	-	(116,029)
Transfers to stock	<u>(307,980)</u>	<u>-</u>	<u>-</u>
At 31 January 2022	<u>1,042,920</u>	<u>210,134</u>	<u>552,977</u>
<b>NET BOOK VALUE</b>			
At 31 January 2022	<u>7,241,992</u>	<u>109,514</u>	<u>480,027</u>
At 31 January 2021	<u>3,967,963</u>	<u>143,097</u>	<u>249,785</u>



**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 JANUARY 2022**

**9. TANGIBLE FIXED ASSETS - continued**

	Motor vehicles £	Computers and office equipment £	Totals £
<b>COST</b>			
At 1 February 2021	5,101,241	204,347	11,015,371
Additions	1,476,685	66,034	1,922,910
Disposals	(728,925)	-	(867,792)
Transfers from stock	-	-	5,343,141
Transfers to stock	-	-	(1,656,684)
	<u>5,849,001</u>	<u>270,381</u>	<u>15,756,946</u>
<b>DEPRECIATION</b>			
At 1 February 2021	3,065,078	152,138	4,566,154
Charge for year	820,431	20,540	1,722,073
Eliminated on disposal	(682,167)	-	(798,196)
Transfers to stock	-	-	(307,980)
	<u>3,203,342</u>	<u>172,678</u>	<u>5,182,051</u>
<b>NET BOOK VALUE</b>			
At 31 January 2022	<u>2,645,659</u>	<u>97,703</u>	<u>10,574,895</u>
At 31 January 2021	<u>2,036,163</u>	<u>52,209</u>	<u>6,449,217</u>

The net book value of fixed assets amounting to £10,574,895 (2021: £6,449,217) includes an amount of £8,689,843 (2021: £5,003,977) in respect of assets held under hire purchase and finance lease contracts. The depreciation charge for the year in respect of these assets amounted to £1,243,486 (2021: £878,078).

**10. FIXED ASSET INVESTMENTS**

	Shares in group undertakings £
<b>COST</b>	
At 1 February 2021 and 31 January 2022	<u>1</u>
<b>NET BOOK VALUE</b>	
At 31 January 2022	<u>1</u>
At 31 January 2021	<u>1</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 JANUARY 2022****10. FIXED ASSET INVESTMENTS - continued**

The company's investments at the Statement of Financial Position date in the share capital of companies include the following:

**Look 4 Tyres Limited**

Registered office:

Nature of business: Dormant

Class of shares:	%
Ordinary	holding
	100.00

	31.1.22	31.1.21
	£	£
Aggregate capital and reserves	<u>1</u>	<u>1</u>

**11. STOCKS**

	31.1.22	31.1.21
	£	£
New and secondhand machinery	36,603,576	26,140,389
Spare parts	4,419,283	2,595,639
Tyres	985,853	632,477
Work-in-progress	308,629	135,929
	<u>42,317,341</u>	<u>29,504,434</u>

**12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31.1.22	31.1.21
	£	£
Trade debtors	7,532,979	5,618,669
Amounts owed by group undertakings	2,932,427	253,319
Tax	221,032	-
VAT	438,942	621,536
Prepayments and accrued income	5,166,501	3,914,661
	<u>16,291,881</u>	<u>10,408,185</u>

**13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31.1.22	31.1.21
	£	£
Bank loans and overdrafts (see note 15)	2,500,000	-
Hire purchase contracts (see note 16)	5,368,611	3,667,678
Trade creditors	24,885,889	20,496,970
Amounts owed to group undertakings	200,510	596,317
Taxation	-	435,592
Social security and other taxes	248,039	215,361
Accruals and deferred income	6,312,514	4,295,744
Stocking loans	10,443,965	3,170,011
	<u>49,959,528</u>	<u>32,877,673</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 JANUARY 2022**

**13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR - continued**

Stocking loans of £10,443,965 (2021: £3,170,011) are secured on the assets to which they relate and are repayable at various dates within the coming year.

**14. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	31.1.22	31.1.21
	£	£
Hire purchase contracts (see note 16)	<u>2,255,815</u>	<u>1,382,646</u>

**15. LOANS**

An analysis of the maturity of loans is given below:

	31.1.22	31.1.21
	£	£
Amounts falling due within one year or on demand:		
Bank loans	<u>2,500,000</u>	<u>-</u>

**16. LEASING AGREEMENTS**

Minimum lease payments fall due as follows:

	Hire purchase contracts	
	31.1.22	31.1.21
	£	£
Net obligations repayable:		
Within one year	5,368,611	3,667,678
Between one and five years	<u>2,255,815</u>	<u>1,382,646</u>
	<u>7,624,426</u>	<u>5,050,324</u>

	Non-cancellable operating leases	
	31.1.22	31.1.21
	£	£
Within one year	1,214,730	908,336
Between one and five years	<u>573,333</u>	<u>699,328</u>
	<u>1,788,063</u>	<u>1,607,664</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 JANUARY 2022**

**17. SECURED DEBTS**

The following secured debts are included within creditors:

	31.1.22 £	31.1.21 £
Bank loans	2,500,000	-
Hire purchase contracts	7,624,426	5,050,324
Stocking loans	<u>10,443,965</u>	<u>3,170,011</u>
	<u>20,568,391</u>	<u>8,220,335</u>

The bank overdraft facility is secured by a mortgage debenture with the company and cross guarantees between Farol Holdings Limited and the company.

**18. PROVISIONS FOR LIABILITIES**

	31.1.22 £	31.1.21 £
Deferred tax		
Accelerated capital allowances	<u>1,250,376</u>	<u>813,168</u>

	Deferred tax £
Balance at 1 February 2021	813,168
Provided during year	<u>437,208</u>
Balance at 31 January 2022	<u>1,250,376</u>

**19. CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:		Nominal value:	31.1.22 £	31.1.21 £
Number:	Class:			
27,900	Ordinary	£1	<u>27,900</u>	<u>27,900</u>

The rights of all shares rank pari passu with the exception of being able to vote varying dividend levels in each class.

**20. RESERVES**

	Retained earnings £	Share premium £	Capital redemption reserve £	Totals £
At 1 February 2021	14,477,318	21,400	4,200	14,502,918
Profit for the year	4,087,724			4,087,724
Dividends	<u>(376,112)</u>			<u>(376,112)</u>
At 31 January 2022	<u>18,188,930</u>	<u>21,400</u>	<u>4,200</u>	<u>18,214,530</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 JANUARY 2022**

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**21. RELATED PARTY DISCLOSURES**

The company is a subsidiary of Farol Holdings Limited and is included in the consolidated accounts of that company. The address of the registered office of Farol Holdings Limited is Rycote Lane Farm, Milton Common, Thame, Oxfordshire OX9 2NZ.

At the balance sheet date Farol Holdings Limited has given the company an unlimited cross guarantee to secure the company's bank overdraft facility.

**Entities with control, joint control or significant influence over the entity**

	<b>31.1.22</b>	<b>31.1.21</b>
	<b>£</b>	<b>£</b>
Rents payable	<b>712,386</b>	649,138
Interest charges	<b>2,391</b>	-
Interest received	<b>25,185</b>	81,664
Amount due from related party	<b>2,932,427</b>	-
Amount due to related party	<b>-</b>	<b>596,317</b>

**Other related parties**

	<b>31.1.22</b>	<b>31.1.21</b>
	<b>£</b>	<b>£</b>
Interest receivable	<b>5,708</b>	4,908
Amount due from related party	<b>-</b>	253,319
Amount due to related party	<b>200,510</b>	<b>-</b>