

Company Registration No. 06524543 (England and Wales)

EAST AFRICAN TIMBER AND FARMING LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018
PAGES FOR FILING WITH REGISTRAR

EAST AFRICAN TIMBER AND FARMING LIMITED

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**EAST AFRICAN TIMBER AND FARMING LIMITED (REGISTERED NUMBER:
06524543)**

BALANCE SHEET

AS AT 31 DECEMBER 2018

	Notes	2018 £	£	2017 £	£
Fixed assets					
Tangible assets	3		46		62
Investments	4		-		6,079
			<u>46</u>		<u>6,141</u>
Current assets					
Debtors	5	-		11,149,107	
Cash at bank and in hand		321,181		923,993	
		<u>321,181</u>		<u>12,073,100</u>	
Creditors: amounts falling due within one year	6	<u>{4,762}</u>		<u>{3,041,083}</u>	
Net current assets			<u>316,419</u>		<u>9,032,017</u>
Total assets less current liabilities			<u><u>316,465</u></u>		<u><u>9,038,158</u></u>
Capital and reserves					
Called up share capital	7		5,316,601		2,496,069
Share premium account			7,151,776		7,151,776
Profit and loss reserves			<u>(12,151,912)</u>		<u>{609,687}</u>
Total equity			<u><u>316,465</u></u>		<u><u>9,038,158</u></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.

**EAST AFRICAN TIMBER AND FARMING LIMITED (REGISTERED NUMBER:
06524543)**

BALANCE SHEET (CONTINUED)

AS AT 31 DECEMBER 2018

The financial statements were approved by the board of directors and authorised for issue on 14 May 2019 and are signed on its behalf by:

J Maclean
Director

EAST AFRICAN TIMBER AND FARMING LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2018

1 Accounting policies

Company information

East African Timber And Farming Limited is a private company limited by shares incorporated in England and Wales. The registered office is Ivy House Farm, 42 Chapel Street, East Malling, Kent, ME19 6AP.

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 £1.

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

The company has taken advantage of the exemption under section 399 of the Companies Act 2006 not to prepare consolidated accounts, on the basis that the group of which this is the parent qualifies as a small group. The financial statements present information about the company as an individual entity and not about its group.

1.2 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
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1.3 Fixed asset investments

Interests in subsidiaries 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.

1.4 Cash and cash equivalents

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.

EAST AFRICAN TIMBER AND FARMING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

1 Accounting policies

(Continued)

1.5 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.

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.

1.6 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.

EAST AFRICAN TIMBER AND FARMING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

1 Accounting policies

(Continued)

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 2 . [2017 - 2]

3 Tangible fixed assets

	Fixtures, fittings & equipment £
Cost	
At 1 January 2018 and 31 December 2018	1,103
Depreciation and impairment	
At 1 January 2018	1,041
Depreciation charged in the year	16
At 31 December 2018	1,057
Carrying amount	
At 31 December 2018	46
At 31 December 2017	62

4 Fixed asset investments

	2018 £	2017 £
Investments	-	6,079

EAST AFRICAN TIMBER AND FARMING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

4 Fixed asset investments (Continued)

Movements in fixed asset investments

	Shares in group undertakings £
Cost or valuation	
At 1 January 2018	6,079
Disposals	(6,079)
	<hr/>
At 31 December 2018	-
	<hr/>
Carrying amount	
At 31 December 2018	-
	<hr/>
At 31 December 2017	6,079
	<hr/>

5 Debtors

	2018 £	2017 £
Amounts falling due within one year:		
Other debtors	-	11,149,107
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6 Creditors: amounts falling due within one year

	2018 £	2017 £
Trade creditors	-	100,728
Other creditors	4,762	2,940,355
	<hr/>	<hr/>
	4,762	3,041,083
	<hr/>	<hr/>

7 Called up share capital

	2018 £	2017 £
Ordinary share capital		
Issued and fully paid		
44,666,018 Ordinary A of 10p each	4,466,601	1,646,069
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	4,466,601	1,646,069
	<hr/>	<hr/>

EAST AFRICAN TIMBER AND FARMING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

7 Called up share capital **(Continued)**

Preference share capital

Issued and fully paid

850,000 Preference shares of £1 each	850,000	850,000
	<hr/>	<hr/>
	850,000	850,000
	<hr/>	<hr/>

During the year, the company issued 28,205,320 Ordinary A shares at a nominal value of £0.10 per share.

8 Related party transactions

Included in other debtors is a balance due from a subsidiary company, totalling £Nil (2017: £10,059,921) (2017: \$13,571,300). During the year, the loan amounting to £10,817,582 (\$14,130,250) due from the subsidiary was fully waived.

Also included in other debtors is a balance due a connected company, totalling £Nil (2017: £1,089,186) (2017: £410,722 and \$915,316). During the year, the loan amounting to £1,111,453 (£410,722 and \$915,316) due from the connected company was fully waived.

Included in other creditors is a balance owed to a shareholder of the company, totalling £Nil (2017: £2,728,083).

Included in other creditors is a shareholder loan totalling £Nil (2017: £78,933). During the year, interest was charged on the loan totalling £3,746 (2017: £6,248).

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.