

FIRST FRIENDS LIMITED

UNAUDITED

FINANCIAL STATEMENTS

INFORMATION FOR FILING WITH THE REGISTRAR

FOR THE YEAR ENDED 31 DECEMBER 2018

FIRST FRIENDS LIMITED
REGISTERED NUMBER: 06952385

BALANCE SHEET
AS AT 31 DECEMBER 2018

	Note	2018 £	2017 £
Fixed assets			
Intangible assets	4	22,000	30,800
Tangible assets	5	12,084	2,392
		<hr/>	<hr/>
		34,084	33,192
Current assets			
Debtors: amounts falling due within one year	6	24,005	18,715
Bank & cash balances		8,435	25,004
		<hr/>	<hr/>
		32,440	43,719
Creditors: amounts falling due within one year	7	(50,337)	(26,167)
		<hr/>	<hr/>
Net current (liabilities)/assets		(17,897)	17,552
		<hr/>	<hr/>
Total assets less current liabilities		16,187	50,744
Creditors: amounts falling due after more than one year	8	(83,680)	(83,680)
		<hr/>	<hr/>
Net liabilities		(67,493)	(32,936)
		<hr/>	<hr/>
Capital and reserves			
Called up share capital	10	1,900	1,900
Share premium account		35,141	35,141
Capital redemption reserve		100	100
Profit and loss account		(104,634)	(70,077)
		<hr/>	<hr/>
		(67,493)	(32,936)
		<hr/>	<hr/>

The directors consider that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

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 financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the profit and loss account in accordance with provisions applicable to companies subject to the small companies' regime.

FIRST FRIENDS LIMITED
REGISTERED NUMBER: 06952385

BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 2018

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

.....
K S Summers

Director

Date: 11 September 2019

The notes on pages 3 to 9 form part of these financial statements.

FIRST FRIENDS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

1. General information

First Friends Limited is a limited liability company incorporated in England and Wales. The address of its registered office is Network House, Basing View, Basingstoke, Hampshire, RG21 4HG.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

2.2 Going concern

As shown by the financial statements the liabilities of the company exceed its assets and the company meets its day to day working capital requirements through financial support from its directors. Loans from directors to the company will not be called in until the company has sufficient funds to repay the loan. On this basis, the directors consider it appropriate to prepare the financial statements on the going concern basis.

2.3 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

2.4 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Profit and Loss Account when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Company in independently administered funds.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

2. Accounting policies (continued)

2.5 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Profit and Loss Account, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance Sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

2.6 Intangible assets

Goodwill

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight line basis to the Profit and Loss Account over its useful economic life.

Other intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

2.7 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

2. Accounting policies (continued)

2.7 Tangible fixed assets (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Plant and machinery	- 25% straight line
Fixture, fittings and equipment	- 25% straight line
Office equipment	- 25% straight line
Toys	- 33% straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Profit and Loss Account.

2.8 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.9 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.10 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.11 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

3. Employees

The average monthly number of employees, including directors, during the year was 25 (2017 - 17).

FIRST FRIENDS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

4. Intangible assets

	Goodwill
	£
Cost	
At 1 January 2018	44,000
	<hr/>
At 31 December 2018	44,000
	<hr/>
Amortisation	
At 1 January 2018	13,200
Charge for the year	8,800
	<hr/>
At 31 December 2018	22,000
	<hr/>
Net book value	
At 31 December 2018	22,000
	<hr/> <hr/>
At 31 December 2017	30,800
	<hr/> <hr/>

FIRST FRIENDS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

5. Tangible fixed assets

	Plant & machinery £	Fixtures & fittings £	Office equipment £	Toys £	Total £
Cost or valuation					
At 1 January 2018	2,118	13,503	2,416	4,634	22,671
Additions	230	11,782	757	-	12,769
Disposals	(230)	-	-	-	(230)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2018	2,118	25,285	3,173	4,634	35,210
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Depreciation					
At 1 January 2018	1,680	11,753	2,416	4,430	20,279
Charge for the year	144	2,600	169	83	2,996
Disposals	(149)	-	-	-	(149)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2018	1,675	14,353	2,585	4,513	23,126
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Net book value					
At 31 December 2018	<u>443</u>	<u>10,932</u>	<u>588</u>	<u>121</u>	<u>12,084</u>
At 31 December 2017	<u>438</u>	<u>1,750</u>	<u>-</u>	<u>204</u>	<u>2,392</u>

6. Debtors

	2018 £	2017 £
Trade debtors	3,241	1,719
Other debtors	6,168	4,667
Prepayments and accrued income	-	213
Deferred taxation	14,596	12,116
	<hr/>	<hr/>
	<u>24,005</u>	<u>18,715</u>

FIRST FRIENDS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

7. Creditors: amounts falling due within one year

	2018 £	2017 £
Bank overdrafts	2,464	-
Trade creditors	3,094	-
Other taxation and social security	3,600	2,080
Other creditors	20,739	11,266
Accruals and deferred income	20,440	12,821
	<u>50,337</u>	<u>26,167</u>

8. Creditors: amounts falling due after more than one year

	2018 £	2017 £
Other creditors	83,680	83,680
	<u>83,680</u>	<u>83,680</u>

9. Deferred taxation

	2018 £
At beginning of year	12,116
Charged to profit or loss	2,480
At end of year	<u><u>14,596</u></u>

The deferred tax asset is made up as follows:

	2018 £	2017 £
Accelerated capital allowances	(2,111)	(1,837)
Tax losses carried forward	16,707	13,953
	<u>14,596</u>	<u>12,116</u>

FIRST FRIENDS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

10. Share capital

	2018	2017
	£	£
Allotted, called up and fully paid		
1,900 (2017 - 1,900) Ordinary shares of £1.00 each	<u>1,900</u>	<u>1,900</u>

11. Pension commitments

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £2,875 (2017: £1,103).

Contributions totalling £716 (2017: £103) were payable to the fund at the balance sheet date and are included in creditors.

12. Related party transactions

Included within other creditors falling due after more than one year is a loan totalling £83,680 (2017: £83,680) made to the company by Sailfish Equity and Management Limited.

During the year interest of £6,274 (2017: £6,274) was paid on the loan.

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.