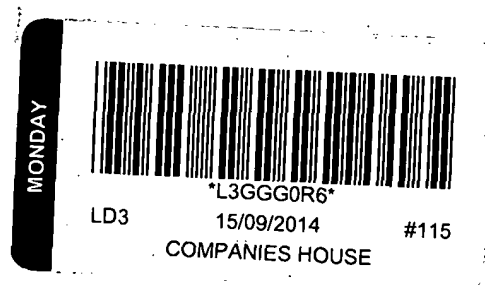


Financial Statements

Charterhouse Square Finance Company Limited

For the year ended 31 December 2013



Registered number: 00674041

Company Information

Directors	Mrs E. Corob Ms T.A. Corob Ms L.E. Corob Ms A.L. Corob Mr F. Cook Mr J.V. Hajnal Mr S.J. Wiseman
Company secretary	Mr J.G. Radford, FCCA
Registered number	00674041
Registered office	62 Grosvenor Street London W1K 3JF
Independent auditor	Grant Thornton UK LLP Chartered Accountants & Statutory Auditor Grant Thornton House Melton Street Euston Square London NW1 2EP

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Directors' report

For the year ended 31 December 2013

The directors present their report and the financial statements for the year ended 31 December 2013.

Directors

The directors who served during the year were:

Mrs E. Corob
Ms T.A. Corob
Ms L.E. Corob
Ms A.L. Corob
Mr F. Cook
Mr J.V. Hajnal
Mr S.J. Wiseman

Directors' responsibilities statement

The directors are responsible for preparing the Directors' report 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 judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK 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.

Disclosure of information to auditor

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as that director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Directors' report

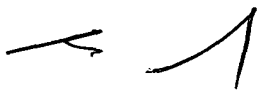
For the year ended 31 December 2013

Auditor

Under section 487(2) of the Companies Act 2006, Grant Thornton UK LLP will be deemed to have been reappointed as auditor 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier.

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved and signed by order of the board by:



Mr J.G. Radford, FCCA
Secretary

Date: 28 August 2014

Independent auditor's report to the members of Charterhouse Square Finance Company Limited

We have audited the financial statements of Charterhouse Square Finance Company Limited for the year ended 31 December 2013, which comprise the Profit and loss account, the Balance sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

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 an Auditor's report 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.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/apb/scope/private.cfm.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2013 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.



Independent auditor's report to the members of Charterhouse Square Finance Company Limited

Matters on which we are required to report by exception

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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption from the requirement to prepare a strategic report.

A handwritten signature in black ink, appearing to read "James Moss", written over a horizontal line.

James Moss (Senior statutory auditor)
for and on behalf of Grant Thornton UK LLP
Chartered Accountants
Statutory Auditor
London

Date: 28 August 2014

Profit and loss account

For the year ended 31 December 2013

	Note	2013 £	2012 £
Turnover	1	724,967	522,238
Cost of sales		<u>(186,886)</u>	<u>(32,269)</u>
Gross profit		538,081	489,969
Administrative expenses		(1,098,952)	287,191
Exceptional expense	6	1,710,518	-
Total administrative expenses		<u>611,566</u>	<u>287,191</u>
Operating profit	2	1,149,647	777,160
Interest receivable and similar income	4	254,372	279,741
Interest payable and similar charges	5	<u>(110,906)</u>	<u>(111,360)</u>
Profit on ordinary activities before taxation		1,293,113	945,541
Tax on profit on ordinary activities	7	<u>329,123</u>	<u>277,173</u>
Profit for the financial year	17	<u>1,622,236</u>	<u>1,222,714</u>

All amounts are in respect of continuing operations.

There were no recognised gains or losses other than the profit for the financial period.

The notes on pages 7 to 18 form part of these financial statements.

Balance sheet

As at 31 December 2013

	Note	£	2013 £	£	2012 £
Fixed assets					
Tangible assets	8		251,228		252,758
Investments	9		370,010		100
			<u>621,238</u>		<u>252,858</u>
Current assets					
Stocks	10	1,053,962		1,084,646	
Debtors	11	11,939,490		15,306,889	
Cash at bank		223,042		417,293	
		<u>13,216,494</u>		<u>16,808,828</u>	
Creditors: amounts falling due within one year	12	(14,959,518)		(19,805,708)	
Net current liabilities			<u>(1,743,024)</u>		<u>(2,996,880)</u>
Net liabilities			<u>(1,121,786)</u>		<u>(2,744,022)</u>
Capital and reserves					
Called up share capital	16		75,000		75,000
Revaluation reserve	17		169,589		169,589
Profit and loss account	17		(1,366,375)		(2,988,611)
Shareholders' deficit			<u>(1,121,786)</u>		<u>(2,744,022)</u>

The financial statements have been prepared in accordance with the special provisions applicable to small companies within Part 15 of the Companies Act 2006 and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

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



Mr S.J. Wiseman
Director

Date: 28 August 2014

Notes to the financial statements

For the year ended 31 December 2013

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention as modified by the revaluation of freehold property and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

1.2 Going concern

The company has net liabilities as at 31 December 2013 of £1,820,820 (2012: £2,744,022). A fellow subsidiary, Corob Holdings Limited, has confirmed its continuing intention to support the company for a period of at least 12 months from the date of signing these financial statements, should such need arise and consequently the financial statements are prepared on a going concern basis.

1.3 Consolidation

The company was, at the end of the year, a wholly owned subsidiary of Corob Consolidated Limited and in accordance with Section 400 of the Companies Act 2006 is not required to produce, and has not published, consolidated accounts.

1.4 Cash flow

The financial statements do not include a cash flow statement because the company, as a small reporting entity, is exempt from the requirement to prepare such a statement under the Financial Reporting Standard for Smaller Entities (effective April 2008).

1.5 Turnover

Turnover is represented by rental income; service charges; management commissions; dividends and interest receivable on securities held for dealing.

Rental income is recognised on a receivable basis over the shorter of the lease period, and the period from lease commencement to the first rent review or break option. Any incentives for tenants to enter into a lease agreement are spread over the same period.

Revenue in respect of sales of securities, associated dividends and profits or losses recognised on securities held for trading, is recognised on an accruals basis. Dividends are recognised when the shareholders' right to receive payment has been established.

Management commissions are recognised when, and to the extent that, the company obtains the right to consideration in exchange for performance of management services.

The whole of the company's turnover is derived from activities in the United Kingdom.

Notes to the financial statements

For the year ended 31 December 2013

1. Accounting policies (continued)

1.6 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost or valuation less depreciation. Depreciation is provided at rates calculated to write off the cost or valuation of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Motor vehicles	-	25% on written down value
Fixtures & fittings	-	20% on cost or 15% on written down value
Office equipment	-	20% on cost or 15% on written down value

1.7 Investment properties

Investment properties are included in the Balance sheet at their open market value in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008) and are not depreciated. This treatment is contrary to the Companies Act 2006 which states that fixed assets should be depreciated but is, in the opinion of the directors, necessary in order to give a true and fair view of the financial position of the company.

1.8 Stocks

Stocks, comprising property and current asset investments held for trading, are valued at the lower of cost and net realisable value. Net realisable value of equities is based on market value at the balance sheet date, as determined by a third party securities broker.

1.9 Pensions

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

Notes to the financial statements

For the year ended 31 December 2013

1. Accounting policies (continued)

1.10 Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax, with the following exceptions:

Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold.

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

1.11 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Profit and loss account.

1.12 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.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

Notes to the financial statements

For the year ended 31 December 2013

1. Accounting policies (continued)

1.13 Investments

Investments in subsidiary undertakings are held at cost less provision for impairment.

2. Operating profit

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

	2013 £	2012 £
Depreciation of tangible fixed assets:		
- owned by the company	6,944	8,121
Auditor's remuneration	19,680	14,400
Bad debts writte back	-	(1,465,285)
	<u>26,624</u>	<u>12,036</u>

3. Directors' remuneration

	2013 £	2012 £
Aggregate remuneration	<u>592,863</u>	<u>677,247</u>

The total contributions payable to the pension scheme in the year amounted to £nil (2012: £30,000).

4. Interest receivable

	2013 £	2012 £
Interest receivable from group companies	254,242	265,812
Other interest receivable	130	13,929
	<u>254,372</u>	<u>279,741</u>

5. Interest payable

	2013 £	2012 £
Other interest payable	211	561
Interest payable to related parties	110,695	110,799
	<u>110,906</u>	<u>111,360</u>

Notes to the financial statements

For the year ended 31 December 2013

6. Exceptional items

	2013 £	2012 £
Exceptional item - reversal against related party loan provision	1,710,518	-

The company was party to a group reorganisation in August 2013 further to which certain intercompany balances with related companies were converted into loan notes. The company assigned its loan note balance of £4,943,376 due from Corob Mayfair Properties Limited to Corob Holdings Limited in consideration for Corob Holdings Limited releasing an equivalent loan note balance due from the company.

7. Taxation

	2013 £	2012 £
Amounts received in respect of group relief - current year	(349,473)	(441,859)
Adjustment to amounts paid in respect of group relief in previous periods	20,350	164,686
Total current tax	(329,123)	(277,173)

8. Tangible fixed assets

	Freehold property £	Motor vehicles £	Fixtures & fittings £	Office equipment £	Total £
Cost or valuation					
At 1 January 2013	230,000	24,840	20,964	21,612	297,416
Additions	-	-	-	5,414	5,414
At 31 December 2013	230,000	24,840	20,964	27,026	302,830
Depreciation					
At 1 January 2013	-	10,421	16,596	17,641	44,658
Charge for the year	-	3,605	655	2,684	6,944
At 31 December 2013	-	14,026	17,251	20,325	51,602
Net book value					
At 31 December 2013	230,000	10,814	3,713	6,701	251,228
At 31 December 2012	230,000	14,419	4,368	3,971	252,758

Notes to the financial statements

For the year ended 31 December 2013

A valuation of the company's freehold property was carried out as at 31 December 2013 by Mr. T. Shillinglaw, a Member of the Royal Institution of Chartered Surveyors and an employee of Corob Holdings Limited, a related company.

This valuation is approved by the directors and is based on open market value.

If the the freehold property had not been included at valuation it would have been included under the historical cost convention as follows:

	2013 £	2012 £
Cost	60,411	60,411
Accumulated depreciation	-	-
Net book value	<u>60,411</u>	<u>60,411</u>

9. Investments

	Investments in subsidiary companies £	Unlisted investments £	Total £
Cost or valuation			
At 1 January 2013	100	-	100
Additions	-	369,910	369,910
At 31 December 2013	<u>100</u>	<u>369,910</u>	<u>370,010</u>
Net book value			
At 31 December 2013	<u>100</u>	<u>369,910</u>	<u>370,010</u>
At 31 December 2012	<u>100</u>	<u>-</u>	<u>100</u>

Notes to the financial statements

For the year ended 31 December 2013

9. Investments (continued)

Subsidiary undertakings

The following entity was a subsidiary undertakings of the company:

Name	Class of shares	Holding
Charterhouse Square Nominees Limited	Ordinary shares	100%

The aggregate of the share capital and reserves as at 31 December 2013 and of the profit or loss for the year ended on that date for the subsidiary undertakings were as follows:

Name	Aggregate of share capital and reserves £	Profit/(loss) £
Charterhouse Square Nominees Limited	62	-

10. Stocks

	2013 £	2012 £
Current asset investments	672,369	703,053
Property	381,593	381,593
	<u>1,053,962</u>	<u>1,084,646</u>

Securities held for resale as stated above include £336,358 (2012: £294,082) in respect of listed investments. The total market value of listed securities at 31 December 2013 was £543,163 (2012: £377,053).

The company holds an investment in Bestport LP fund at a cost less provision for diminution in value of £107,485 (2012: £225,314). Total commitments to the fund at 31 December 2013 are £300,000 (2012: £300,000).

The company holds an investment in Infinity I-China fund at a cost of £224,498 (2012: £182,774). Total commitments to the fund at 31 December 2013 are £303,250 (2012: £309,540).

The commitments are payable when called upon by the funds. Remaining amounts in securities are held in unlisted investments.

The property shown is held at cost as it is held for trading.

Notes to the financial statements

For the year ended 31 December 2013

11. Debtors

	2013	2012
	£	£
Trade debtors	59,795	-
Amounts owed by group undertakings	1,603,850	12,940,577
Amounts owed by group undertakings - loan notes	8,424,384	-
Other debtors	1,792,202	2,307,053
Tax recoverable	59,259	59,259
	<u>11,939,490</u>	<u>15,306,889</u>

The company was party to a group reorganisation in August 2013 and issued loan notes as part of this.. Please see note 6 for further details.

12. Creditors: amounts falling due within one year

	2013	2012
	£	£
Bank loans and overdrafts	-	25,047
Amounts owed to group undertakings	9,180,192	13,899,623
Other taxation and social security	210,327	235,598
Other creditors	5,568,999	5,645,440
	<u>14,959,518</u>	<u>19,805,708</u>

13. Deferred taxation

Should the company's investment property be sold at the valuation shown, a liability to corporation tax of £26,195 (2012: £30,117) would arise. No provision for deferred tax has been recognised as there was no binding agreement to sell this property at year end.

14. Pension commitments

The company operates a money purchase 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 £Nil (2012: £30,000). No contributions were outstanding at the balance sheet date.

15. Related party transactions

Notes to the financial statements

For the year ended 31 December 2013

Transactions with directors

Mrs E. Corob, a director, has loaned monies to the company at an interest rate equivalent to 1.5% above the National Westminster Bank plc base rate. Amounts have also been lent on the same terms by Ms T.A. Corob, Ms L.E. Corob and Ms A.L. Corob, all directors of the company.

The balances outstanding at the beginning and end of the year, included within other creditors, together with interest payable during the year, were as follows:

Balances outstanding

	2013	2012
	£	£
Mrs E. Corob	(206,723)	(242,920)
Ms T.A. Corob	(1,765,679)	(1,765,679)
Ms L.E. Corob	(1,765,679)	(1,765,679)
Ms A.L. Corob	(1,765,679)	(1,765,679)

Interest payable

	2013	2012
	£	£
Mrs E. Corob	4,754	4,858
Ms T.A. Corob	35,314	35,314
Ms L.E. Corob	35,314	35,314
Ms A.L. Corob	35,314	35,314

The interest was paid in full at the year end.

Loan to director

The company has loaned monies to Mr S.J. Wiseman, a director of the company. The loan is interest free and repayable on demand. There are no other material conditions attached to the loan.

The balance included within other debtors outstanding at the end of the year was as follows:

	2013	2012
	£	£
Mr S.J. Wiseman	2,410	508,459

The highest balance during the year was £602,068 (2012: £508,459).

Notes to the financial statements

For the year ended 31 December 2013

Lexington House Property Company Limited

The company has loaned monies to Lexington House Property Company Limited, a company in which Mr S.J. Wiseman, Ms T.A. Corob, Ms L.E. Corob and Ms A.L. Corob, all directors, have a beneficial interest. Interest was charged at a rate equivalent to 1.5% above the National Westminster Bank plc base rate.

The balance outstanding with Lexington House, and the interest receivable during the year, were as follows:

	2013	2012
	£	£
Balance due	1,292,808	1,013,795
Interest receivable	23,898	13,710

Corob Mayfair Properties Limited

The company has loaned monies to Corob Mayfair Properties Limited, an associated company in which Mr S.J. Wiseman, Mr J.V. Hajnal, Ms A.L. Corob, Ms L.E. Corob and Mr F. Cook, directors of the company, and their families have a beneficial interest. Interest is receivable at a rate equivalent to 1.5% above the National Westminster Bank plc base rate.

Commissions were receivable for the management and letting of properties held by Corob Mayfair Properties Limited. The balance outstanding with Corob Mayfair Properties Limited, and the interest and commissions receivable during the year, were as follows:

	2013	2012
	£	£
Balance due	8,424,384	13,426,761
Provision against balance due	-	(1,710,518)
Interest receivable	166,588	265,812
Commissions receivable	66,601	57,206
Reversal of provision against balance due (see note 6)	1,710,518	-

Corob Retail Investments Limited

The company has supplied management services to Corob Retail Investments Limited, an associated company in which, Mr J.V. Hajnal, Ms A.L. Corob, Ms L.E. Corob and Mr F. Cook, directors of the company, and their families have a beneficial interest.

Commissions receivable as at 31 December 2013, were as follows:

	2013	2012
	£	£
Commissions receivable	101,667	107,977

Notes to the financial statements

For the year ended 31 December 2013

Corob Central Properties Limited

The company provided management services to Corob Central Properties Limited, an associated company in which Mr S.J. Wiseman, Mr J.V.Hajnal, Ms A.L. Corob, Ms L.E. Corob and Mr F. Cook, directors of the company, and their families have a beneficial interest. Interest is receivable at a rate equivalent to 1.5% above the National Westminster Bank plc base rate. Commissions receivable as at 31 December 2013 for the management and letting of properties during the year, were as follows:

	2013	2012
	£	£
Commissions receivable	96,870	185,340

The company has taken advantage of exemptions available under Financial Reporting Standard for Smaller Entities and has not disclosed transactions with group undertakings.

16. Share capital

	2013	2012
	£	£
Allotted, called up and fully paid		
75,000 Ordinary shares shares of £1 each	75,000	75,000

17. Reserves

	Revaluation reserve	Profit and loss account
	£	£
At 1 January 2013	169,589	(2,988,611)
Profit for the financial year	-	1,622,236
At 31 December 2013	169,589	(1,366,375)

18. Financial commitments

The company holds investments in Bestport LP fund and Infinity I-China fund at a combined cost less provision for diminution in value of £331,983 (2012: £420,883). Total commitments to the funds at 31 December 2013 are £606,250 (2012: £609,540). There are no other contingent liabilities.

19. Contingent liabilities

There were no contingent liabilities at 31 December 2013 or 31 December 2012.

Notes to the financial statements

For the year ended 31 December 2013

20. Ultimate parent company and control

The company regards Corob Consolidated Limited, incorporated in England and Wales, is the company's immediate parent undertaking and its ultimate parent undertaking and controlling party.

The largest and smallest group of undertakings for which group accounts are drawn up is that headed by Corob Consolidated Limited, the consolidated accounts of which are available from Companies House.