

REGISTERED NUMBER: 00674041 (England and Wales)

**CHARTER HOUSE SQUARE FINANCE COMPANY
LIMITED**

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018



**CHARTER HOUSE SQUARE FINANCE COMPANY
LIMITED (REGISTERED NUMBER: 00674041)**

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FOR THE YEAR ENDED 31 DECEMBER 2018**

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**CHARTER HOUSE SQUARE FINANCE COMPANY
LIMITED**

**COMPANY INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2018**

DIRECTORS:

F Cook
Ms L E Corob
Ms A L Corob
J V Hajnal
S J Wiseman

SECRETARY:

S N Bentley FCCA

REGISTERED OFFICE:

62 Grosvenor Street
London
W1K 3JF

REGISTERED NUMBER:

00674041 (England and Wales)

AUDITORS:

Wilkins Kennedy Audit Services
Statutory Auditor
2nd Floor
Regis House
45 King William Street
London
EC4R 9AN

**CHARTER HOUSE SQUARE FINANCE COMPANY
LIMITED (REGISTERED NUMBER: 00674041)**

**BALANCE SHEET
31 DECEMBER 2018**

	Notes	2018 £	2017 £
FIXED ASSETS			
Tangible assets	4	55,580	72,407
Investments	5	892,144	1,142,144
Investment property	6	<u>345,000</u>	<u>300,000</u>
		<u>1,292,724</u>	<u>1,514,551</u>
CURRENT ASSETS			
Stocks		381,593	381,593
Debtors	7	8,796,543	10,491,318
Investments	8	726,299	968,407
Cash at bank		<u>390,675</u>	<u>331,871</u>
		10,295,110	12,173,189
CREDITORS			
Amounts falling due within one year	9	<u>(12,974,426)</u>	<u>(14,932,655)</u>
NET CURRENT LIABILITIES		<u>(2,679,316)</u>	<u>(2,759,466)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		(1,386,592)	(1,244,915)
PROVISIONS FOR LIABILITIES		<u>(14,690)</u>	<u>(9,270)</u>
NET LIABILITIES		<u>(1,401,282)</u>	<u>(1,254,185)</u>
CAPITAL AND RESERVES			
Called up share capital		75,000	75,000
Non-distributable retained earnings		284,589	239,589
Retained earnings		<u>(1,760,871)</u>	<u>(1,568,774)</u>
SHAREHOLDERS' FUNDS		<u>(1,401,282)</u>	<u>(1,254,185)</u>

The financial statements have been prepared and delivered in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

In accordance with Section 444 of the Companies Act 2006, the Income Statement has not been delivered.

The financial statements were approved by the Board of Directors on 12/9/19 and were signed on its behalf by:


S J Wiseman - Director

The notes form part of these financial statements

**CHARTER HOUSE SQUARE FINANCE COMPANY
LIMITED (REGISTERED NUMBER: 00674041)**

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

1. STATUTORY INFORMATION

Charter House Square Finance Company 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" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets.

The Company is the parent undertaking of a small group and as such is not required by the Companies Act 2006 to prepare group accounts. These financial statements therefore present information about the Company as an individual undertaking and not about its group.

Going Concern

The company has support of the ultimate holding company, in providing adequate funds to meet its liabilities as they fall due. In addition the Group's forecast and projections show that the Group should have adequate resources to continue in operational existence for at least 12 months after signing these financial statements. Accordingly, the directors continue to adopt the going concern basis in preparing the financial statements.

Cash flow exemption

The company has taken advantage of the exemption in FRS102 7.1B to not present a statement of cashflows.

Turnover

Turnover is represented by rental income; service charges; management fees; share dealings and dividends receivable on investments held.

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

Rental and service charge income is recognised on a receivable basis, exclusive of Value Added Tax. The cost of lease incentives is offset against the total rents due and the net income is then spread evenly over the duration of the lease.

Dividend income is recognised in the income statement on a receivable basis.

Tangible fixed assets

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

Depreciation is provided on the following basis:

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

Investments in subsidiaries and associates

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

**CHARTER HOUSE SQUARE FINANCE COMPANY
LIMITED (REGISTERED NUMBER: 00674041)**

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

2. ACCOUNTING POLICIES - continued

Investment property

The Company carries its investment property at fair value, with changes in fair value being recognised in the income statement and accumulated in the revaluation reserve unless a deficit below original cost, or its reversal, on an individual investment property is expected to be permanent, in which case it is recognised in the profit and loss account for the year.

The valuer used a valuation technique based on a discounted cash flow model using inputs derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in location. The key assumptions used to determine the fair value of investment property are further explained in note 3.

Stocks

Stocks, comprising property held for trading, are valued at the lower of cost and net realisable value.

Financial instruments

The Company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable and loans to related parties.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade payables or receivables, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration, expected to be paid or received. However if the arrangements of a short term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out right short term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at a cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the income statement.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the reporting date.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, 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 balance sheet date.

**CHARTER HOUSE SQUARE FINANCE COMPANY
LIMITED (REGISTERED NUMBER: 00674041)**

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

2. ACCOUNTING POLICIES - continued

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet 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.

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 transaction.

Exchange gains and losses are recognised in the statement of comprehensive income.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

Debtors

Trade and other debtors are measured at transaction price less any impairment, unless the arrangement constitutes a financing transaction in which case the transaction is measured at the present value of future receipts discounted at the prevailing market rate of interest.

Loans are initially measured at fair value and are subsequently measured at amortised cost using the effective interest method less any impairment.

Cash at bank

Cash at bank in the balance sheet comprises cash at banks and in hand and short term deposits with an original maturity date of three months or less.

Creditors

Trade and other creditors are measured at their transaction price unless the arrangement constitutes a financing transaction in which case the transaction is measured at the present value of future payments discounted at the prevailing market rate of interest.

Other financial liabilities are initially measured at fair value net of their transaction costs. They are subsequently measured at amortised cost using the effective interest method.

Finance costs

Finance costs are charged to the Statement of Comprehensive Income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction of the associated capital instrument.

Interest income

Interest income is recognised in the Statement of Comprehensive Income using the effective interest method.

**CHARTER HOUSE SQUARE FINANCE COMPANY
LIMITED (REGISTERED NUMBER: 00674041)**

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

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 6 (2017 - 6).

4. TANGIBLE FIXED ASSETS

	Plant and machinery etc £
COST	
At 1 January 2018	203,652
Additions	<u>6,015</u>
At 31 December 2018	<u>209,667</u>
DEPRECIATION	
At 1 January 2018	131,245
Charge for year	<u>22,842</u>
At 31 December 2018	<u>154,087</u>
NET BOOK VALUE	
At 31 December 2018	<u>55,580</u>
At 31 December 2017	<u>72,407</u>

5. FIXED ASSET INVESTMENTS

	2018 £	2017 £
Shares in group undertakings	100	100
Participating interests	15,000	15,000
Loans to undertakings in which the company has a participating interest	<u>877,044</u>	<u>1,127,044</u>
	<u>892,144</u>	<u>1,142,144</u>

Additional information is as follows:

	Shares in group undertakings £	Interest in associate £	Totals £
COST			
At 1 January 2018 and 31 December 2018	<u>100</u>	<u>15,000</u>	<u>15,100</u>
NET BOOK VALUE			
At 31 December 2018	<u>100</u>	<u>15,000</u>	<u>15,100</u>
At 31 December 2017	<u>100</u>	<u>15,000</u>	<u>15,100</u>

**CHARTER HOUSE SQUARE FINANCE COMPANY
LIMITED (REGISTERED NUMBER: 00674041)**

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

5. FIXED ASSET INVESTMENTS - continued

	Loans to associates £
At 1 January 2018	1,127,044
Repayment in year	<u>(250,000)</u>
At 31 December 2018	<u>877,044</u>

6. INVESTMENT PROPERTY

	Total £
FAIR VALUE	
At 1 January 2018	300,000
Revaluations	<u>45,000</u>
At 31 December 2018	<u>345,000</u>
NET BOOK VALUE	
At 31 December 2018	<u>345,000</u>
At 31 December 2017	<u>300,000</u>

Fair value at 31 December 2018 is represented by:

	£
Valuation in 2015	169,589
Valuation in 2017	70,000
Valuation in 2018	45,000
Cost	<u>60,411</u>
	<u>345,000</u>

If investment property had not been revalued it would have been included at the following historical cost:

	2018	2017
	£	£
Cost	<u>60,411</u>	<u>60,411</u>

Investment property was valued on an open market basis on 31 December 2018 by W Gear, a member of RICS.

**CHARTER HOUSE SQUARE FINANCE COMPANY
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**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2018**

7. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018	2017
	£	£
Trade debtors	5,063	-
Amounts owed by group undertakings	1,236,585	1,235,625
Amounts owed by associates	6,383,751	6,883,751
Other debtors	<u>1,171,144</u>	<u>2,371,942</u>
	<u>8,796,543</u>	<u>10,491,318</u>

8. CURRENT ASSET INVESTMENTS

	2018	2017
	£	£
Listed investments	<u>726,299</u>	<u>968,407</u>

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018	2017
	£	£
Trade creditors	15,517	-
Amounts owed to group undertakings	7,267,248	9,139,512
Taxation and social security	164,228	266,629
Other creditors	<u>5,527,433</u>	<u>5,526,514</u>
	<u>12,974,426</u>	<u>14,932,655</u>

Amounts owed to group undertakings are interest free and repayable on demand.

10. DISCLOSURE UNDER SECTION 444(5B) OF THE COMPANIES ACT 2006

The Auditors' Report was unqualified.

Timothy Collerton ACA FCCA CTA (Senior Statutory Auditor)
for and on behalf of Wilkins Kennedy Audit Services

**CHARTER HOUSE SQUARE FINANCE COMPANY
LIMITED (REGISTERED NUMBER: 00674041)**

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

11. RELATED PARTY TRANSACTIONS

Transactions with group companies

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

Transactions with directors

The company has advanced monies to S.J. Wiseman, a director of the company, amounting to £Nil (2017: £279,305). No interest is being charged on the loan.

Redress Solutions Plc

The company has advanced monies to a related undertaking, Redress Solutions Plc, an associated company that also has certain directors in common with the group or its subsidiaries.

During the year, the group decreased this loan to the company by a further £250,000 (2017: £Nil) in the year into the company, to bring the total invested to £892,044 (2017: £1,142,044). The loan is interest free and repayable on demand.

12. ULTIMATE CONTROLLING PARTY

Corob Consolidated Limited, incorporated in England and Wales, is the company's immediate parent company, ultimate parent company 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.