

**CHARLES STREET COMMERCIAL  
INVESTMENTS LIMITED**

**Report and Financial Statements**

**Year ended 31 March 2013**

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# **CHARLES STREET COMMERCIAL INVESTMENTS LIMITED**

## **REPORT AND FINANCIAL STATEMENTS 2013**

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# **CHARLES STREET COMMERCIAL INVESTMENTS LIMITED**

## **REPORT AND FINANCIAL STATEMENTS 2013**

### **OFFICERS AND PROFESSIONAL ADVISERS**

#### **DIRECTORS**

H N Moser  
G D Beckett

#### **SECRETARY**

G D Beckett

#### **REGISTERED OFFICE**

Lake View  
Lakeside  
Cheadle  
Cheshire  
SK8 3GW

#### **BANKERS**

The Royal Bank of Scotland Plc  
Spinningfields  
Manchester  
M3 3AP

# **CHARLES STREET COMMERCIAL INVESTMENTS LIMITED**

## **DIRECTORS' REPORT**

The directors present their annual report and the unaudited financial statements for the year ended 31 March 2013

### **PRINCIPAL ACTIVITY AND BUSINESS REVIEW**

The company's principal activity continues to be that of financiers

The directors consider the performance of the company to be satisfactory and look forward to the future with confidence

The company qualifies as small per Companies Act 2006 (s382 (3)) and is therefore exempt from the requirement to prepare an enhanced business review

### **RESULTS AND DIVIDENDS**

The unaudited financial statements are set out on pages 4 to 11 The profit for the year after taxation was £546,422 (2012 £223,153)

The directors do not propose payment of a dividend (2012 - £nil)

### **STATEMENT OF GOING CONCERN**

As set out in the Statement of Directors' Responsibilities, in preparing these financial statements the directors are required to prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business

The directors of the company have considered the company's liquidity position insofar as to the extent to which it might affect the preparation of the company's financial statements on a going concern basis

On this basis, the directors have determined that the company will have sufficient liquidity to ensure that it will continue in operational existence for the foreseeable future Accordingly the directors of the company have adopted the going concern basis in preparing financial statements

### **DIRECTORS AND THEIR INTERESTS**

The directors who served during the year and subsequently thereafter are shown on page 1

### **AUDITORS**

As the company qualifies as small per Companies Act 2006 (s382 (3)) it has decided to take the exemption in relation to the requirement to have its accounts audited in the current year

Approved by the Board of Directors  
and signed on behalf of the Board



G D Beckett

Secretary 12 February 2014

# **CHARLES STREET COMMERCIAL INVESTMENTS LIMITED**

## **STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the Annual 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). The financial statements are required by law to 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 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, and
- 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 proper accounting records that 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.

# CHARLES STREET COMMERCIAL INVESTMENTS LIMITED

## PROFIT AND LOSS ACCOUNT

Year ended 31 March 2013

	Note	2013 £	2012 £
<b>TURNOVER</b>	2	1,165,672	605,476
Other operating expenses		(213,518)	(222,762)
<b>OPERATING PROFIT</b>		952,154	382,714
Interest receivable and similar income	3	1,320	823
Interest payable and similar charges	3	(150,276)	(66,026)
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		803,198	317,511
Taxation on profit on ordinary activities	5	(256,776)	(94,358)
<b>RETAINED PROFIT FOR THE FINANCIAL YEAR</b>	10	546,422	223,153

All activity arose from continuing operations

There were no recognised gains or losses in either year other than the result for that year as shown above. Accordingly, a separate statement of total recognised gains and losses has not been presented.

# CHARLES STREET COMMERCIAL INVESTMENTS LIMITED

## BALANCE SHEET 31 March 2013

	Note	2013 £	2012 £
<b>FIXED ASSETS</b>			
Tangible assets	6	60,000	60,000
<b>CURRENT ASSETS</b>			
Debtors			
- due within one year	7	11,145,063	6,887,663
- due after one year	7	23,303	47,920
Cash at bank and in hand		98,054	748,406
		11,266,420	7,683,989
<b>CREDITORS</b> Amounts falling due within one year	8	(8,143,818)	(5,107,809)
<b>NET CURRENT ASSETS</b>		3,122,602	2,576,180
<b>NET ASSETS</b>		3,182,602	2,636,180
<b>CAPITAL AND RESERVES</b>			
Called up share capital	9	2	2
Revaluation reserve	10	48,000	48,000
Profit and loss account	10	3,134,600	2,588,178
<b>EQUITY SHAREHOLDERS' FUNDS</b>	11	3,182,602	2,636,180

### Directors' statement

For the year ending 31 March 2013 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies

The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime

These financial statements were approved by the Board of Directors on 12 February 2014

Company Registration no 1739793

Signed on behalf of the Board of Directors

H N Moser  
Director



# **CHARLES STREET COMMERCIAL INVESTMENTS LIMITED**

## **NOTES TO THE ACCOUNTS**

**Year ended 31 March 2013**

### **1. ACCOUNTING POLICIES**

The financial statements are prepared in accordance with United Kingdom accounting standards and applicable law. They have been applied consistently in the current and prior year. The particular accounting policies adopted are described below.

#### **Accounting convention**

The financial statements are prepared under the historical cost convention (as modified by the revaluation of investment properties) and on the going concern basis. The directors continue to adopt the going concern basis as disclosed in the Directors' Report - Statement of Going Concern.

#### **Cash flow statement**

As permitted by FRS 1 (Revised 1996), the company has not produced a cash flow statement as it is defined as a small company in accordance with section 382 (3) of the Companies Act 2006.

#### **Turnover**

Turnover comprises total interest recoverable on loan and commissions income. Turnover also includes rents received and receivable on the investment property.

#### **Investment properties**

A valuation of investment properties is made annually as at the balance sheet date by the directors, at open market value based on previous valuations conducted by external chartered surveyors. A full valuation by an external valuer is made on a periodic basis. Changes in the market value of investment properties are accounted for by way of a movement in the revaluation reserve and are included in the statement of total recognised gains and losses unless a deficit (or its reversal) on an individual investment property is expected by the directors to be permanent, in which case the change in market value is charged/(credited) to the profit and loss account. On disposal, the cumulative revaluation surpluses or deficits are transferred from the revaluation reserve to the profit and loss account reserve.

In accordance with SSAP 19 "Accounting for Investment Properties", no depreciation or amortisation is provided in respect of freehold investment properties and leasehold investment properties with over 20 years to run. The requirement of the Companies Act 2006 is to depreciate all properties, but that requirement conflicts with the generally accepted accounting principle set out in SSAP 19. The directors consider that, as these properties are not held for consumption but for investment to depreciate them would not give a true and fair view, and that it is necessary to adopt SSAP 19 in order to give a true and fair view. If this departure from the Act had not been made the profit for the financial year would have been decreased by depreciation. However, the amount of depreciation cannot reasonably be quantified, because of the lack of analysis of the cost/value as between land and buildings.



# CHARLES STREET COMMERCIAL INVESTMENTS LIMITED

## NOTES TO THE ACCOUNTS (continued) Year ended 31 March 2013

### 1. ACCOUNTING POLICIES (continued)

#### Taxation

UK corporation tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date

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 that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements

A net deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as 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 not recognised when fixed assets are revalued unless by the balance sheet date there is a binding agreement to sell the revalued assets and the gain or loss expected to arise on sale has been recognised in the financial statements. Neither is deferred tax recognised when fixed assets are sold and it is more likely than not that the taxable gain will be rolled over, being charged to tax only if and when the replacement assets are sold

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis

### 2. TURNOVER

	2013 £	2012 £
Interest and commissions for money lending agreements	1,162,006	601,810
Rental income	3,666	3,666
	<u>1,165,672</u>	<u>605,476</u>

### 3. FINANCE INCOME AND CHARGES

Interest receivable and similar income	2013 £	2012 £
Bank interest receivable	195	823
Other interest income	1,125	-
	<u>1,320</u>	<u>823</u>

Interest payable and similar charges	2013 £	2012 £
Bank interest payable	(221)	-
Interest payable on late payment of tax	(2,179)	-
Interest payable on loan from related parties	(147,876)	(66,026)
	<u>(150,276)</u>	<u>(66,026)</u>

# CHARLES STREET COMMERCIAL INVESTMENTS LIMITED

## NOTES TO THE ACCOUNTS (continued) Year ended 31 March 2013

### 4. STAFF COSTS

The company had no employees and paid no directors' emoluments during either year

### 5. TAX ON PROFIT ON ORDINARY ACTIVITIES

a) The tax charge comprises

	2013 £	2012 £
<b>Current tax</b>		
UK corporation tax	239,609	94,358
Adjustment in respect of previous years	17,167	-
<b>Total tax on profit on ordinary activities</b>	<u>256,776</u>	<u>94,358</u>

There is no deferred tax balance or movement

b) The differences between the total current tax shown above and the amount calculated by applying the standard rate of UK corporation tax to the profit before tax is as follows

	2013 £	2012 £
<b>Profit on ordinary activities before tax</b>	<u>803,198</u>	<u>317,511</u>
Tax on profit on ordinary activities at standard UK corporation tax rate of 24% (2012 26%)	192,768	82,553
Effects of		
Expenses not deductible for tax purposes	11,351	11,805
Movement in short term timing differences	35,490	-
Adjustments to tax charge in respect of previous periods	17,167	-
<b>Current tax charge for period</b>	<u>256,776</u>	<u>94,358</u>

### 6. TANGIBLE FIXED ASSETS

	Investment property £
<b>Valuation</b>	
At beginning of year	60,000
Revaluation	-
At end of year	<u>60,000</u>

If the investment property had not been revalued, it would have been included in the balance sheet at £12,000 (2012 £12,000)

# CHARLES STREET COMMERCIAL INVESTMENTS LIMITED

## NOTES TO THE ACCOUNTS (continued) Year ended 31 March 2013

### 7. DEBTORS

	2013 £	2012 £
Amounts falling due within one year		
Trade debtors	11,139,922	6,869,450
Other debtors	1,125	-
Amounts owed from related parties	4,016	18,213
	<u>11,145,063</u>	<u>6,887,663</u>
Amounts falling due after one year		
Trade debtors	23,303	47,920
	<u>11,168,366</u>	<u>6,935,583</u>

Trade debtors include amounts due in respect of loans provided during the normal course of business. Amounts owed by related companies are in respect of Bridging Finance and Sterling Property Co Limited, companies in which H N Moser is a director and shareholder (see note 12). Also included in trade debtors is an amount of £900,000 (2012 £900,000) loaned to Sunnywood Estates Limited, a company in which H N Moser is a director and shareholder.

### 8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2013 £	2012 £
Amounts owed to related parties	7,788,291	5,012,767
Corporation tax	331,935	75,159
Other creditors	4,035	5,228
Accruals and deferred income	19,557	14,655
	<u>8,143,818</u>	<u>5,107,809</u>

### 9. CALLED UP SHARE CAPITAL

	2013 £	2012 £
Authorised		
1,000 ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>
Called up allotted and fully paid		
2 ordinary shares of £1 each	<u>2</u>	<u>2</u>

### 10. RESERVES

	Revaluation reserve £	Profit and loss account £
At beginning of year	48,000	2,588,178
Retained profit for the year	-	546,422
At end of year	<u>48,000</u>	<u>3,134,600</u>

# CHARLES STREET COMMERCIAL INVESTMENTS LIMITED

## NOTES TO THE ACCOUNTS (continued) Year ended 31 March 2013

### 11. RECONCILIATION OF MOVEMENTS IN EQUITY SHAREHOLDERS' FUNDS

	2013 £	2012 £
Opening equity shareholders' funds	2,636,180	2,413,027
Profit for the financial year	546,422	223,153
Closing equity shareholders' funds	<u>3,182,602</u>	<u>2,636,180</u>

### 12. RELATED PARTY TRANSACTIONS

H N Moser is a director and shareholder of the company. The 'D L Moser Family Settlement Trust' in which H N Moser is a beneficiary entered into transactions with the company as follows:

	2013 £	2012 £
Treasury receipts from 'D L Moser Family Settlement Trust'	1,815,000	4,910,000
Treasury payments to 'D L Moser Family Settlement Trust'	(2,075,000)	-
Interest payable on loan from related party	100,630	66,026
	<u>(159,370)</u>	<u>4,976,026</u>

	2013 £	2012 £
Amounts due to 'D L Moser Family Settlement Trust'	<u>4,816,656</u>	<u>4,976,026</u>

Hayley Moser, who is part of the Moser family, entered into transactions with the company as follows:

	2013 £	2012 £
Treasury receipts from Hayley Moser	2,924,389	-
Interest payable on loan from related party	47,246	-
	<u>2,971,635</u>	<u>-</u>

	2013 £	2012 £
Amounts due to Hayley Moser	<u>2,971,635</u>	<u>-</u>

# CHARLES STREET COMMERCIAL INVESTMENTS LIMITED

## NOTES TO THE ACCOUNTS (continued)

Year ended 31 March 2013

### 12. RELATED PARTY TRANSACTIONS (CONTINUED)

The company entered into the following transactions during the year with companies in which H N Moser is a director and shareholder

	2013 £	2012 £
Rental receipts collected by Sterling Property Co Limited	3,666	3,666
Rental management fee due to Sterling Property Co Limited	(1,467)	(1,173)
Payments from Sterling Property Co Limited	(2,199)	(2,490)
Loan receipts collected by Bridging Finance Limited	-	18,000
Payment from Bridging Finance Limited	(14,197)	-
Commission due to Lancashire Mortgage Corporation Limited	48,485	-
Commission paid to Lancashire Mortgage Corporation Limited	(48,485)	-
Commission due to Bridging Finance Limited	110,820	-
Commission paid to Bridging Finance Limited	(110,820)	-
Payments to Blemain Finance Limited	36,741	-
Payments made on behalf of Charles Street Commercial Investments Limited by Blemain Finance Limited	-	(25,273)
	<u>22,544</u>	<u>(7,271)</u>

	Balances due to		Balances due from	
	2013 £	2012 £	2013 £	2012 £
Blemain Finance Limited	-	36,741	-	-
Bridging Finance Limited	-	-	3,803	18,000
Sterling Property Co Limited	-	-	213	213
	<u>-</u>	<u>36,741</u>	<u>4,016</u>	<u>18,213</u>

### 13. ULTIMATE CONTROLLING PARTY

H N Moser is the ultimate controlling party of the company