

REGISTERED NUMBER: 04219776 (England and Wales)

**Report of the Directors and
Financial Statements for the Year Ended 30 September 2018
for
Alternative Bridging Corporation
(Cheval) Ltd**



**Alternative Bridging Corporation
(Cheval) Ltd**

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for the year ended 30 September 2018**

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**Alternative Bridging Corporation
(Cheval) Ltd**

**Company Information
for the year ended 30 September 2018**

DIRECTORS:

S D Meller
J Rubins
B L Rubins
A H Kay

SECRETARY:

R J Piper

REGISTERED OFFICE:

1st Floor
Healthaid House
Marlborough Hill
Harrow
Middlesex
HA1 1UD

REGISTERED NUMBER:

04219776 (England and Wales)

AUDITORS:

Grant Harrod Lerman Davis LLP
Chartered Accountants
Statutory Auditors
1st Floor
Healthaid House
Marlborough Hill
Harrow
Middlesex
HA1 1UD

**Alternative Bridging Corporation
(Cheval) Ltd**

**Report of the Directors
for the year ended 30 September 2018**

The directors present their report with the financial statements of the company for the year ended 30 September 2018.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 October 2017 to the date of this report.

S D Meller
J Rubins
B L Rubins
A H Kay

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Report of the Directors 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 judgements and accounting estimates that are reasonable and prudent;
- 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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

The auditors, Grant Harrod Lerman Davis LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

ON BEHALF OF THE BOARD:



.....
S D Meller - Director

Date: 22/1/19

**Report of the Independent Auditors to the Members of
Alternative Bridging Corporation
(Cheval) Ltd**

Opinion

We have audited the financial statements of Alternative Bridging Corporation (Cheval) Ltd (the 'company') for the year ended 30 September 2018 which comprise the Statement of Comprehensive Income, Balance Sheet, Statement of Changes in Equity and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 September 2018 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and the provisions available for small entities, in the circumstances set out in note sixteen to the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The directors are responsible for the other information. The other information comprises the information in the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Directors has been prepared in accordance with applicable legal requirements.

**Report of the Independent Auditors to the Members of
Alternative Bridging Corporation
(Cheval) Ltd**

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Directors.

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 take advantage of the small companies' exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Directors.

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities set out on page two, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

Use of our report

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 a Report of the Auditors 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.



R Prajapati (Senior Statutory Auditor)
for and on behalf of Grant Harrod Lerman Davis LLP
Chartered Accountants
Statutory Auditors
1st Floor
Healthaid House
Marlborough Hill
Harrow
Middlesex
HA1 1UD

Date: 22/01/2019

**Alternative Bridging Corporation
(Cheval) Ltd**

**Statement of Comprehensive Income
for the year ended 30 September 2018**

	Notes	2018 £	2017 £
TURNOVER		520,876	941,824
Cost of sales		97,155	519,646
GROSS PROFIT		423,721	422,178
Administrative expenses		325,716	329,987
OPERATING PROFIT and PROFIT BEFORE TAXATION		98,005	92,191
Tax on profit	5	18,811	17,709
PROFIT FOR THE FINANCIAL YEAR		79,194	74,482
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		79,194	74,482

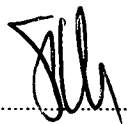
The notes form part of these financial statements

Alternative Bridging Corporation
(Cheval) Ltd (Registered number: 04219776)

Balance Sheet
30 September 2018

	Notes	2018 £	2017 £
FIXED ASSETS			
Tangible assets	7	1,594	2,595
CURRENT ASSETS			
Debtors	8	1,343,294	3,134,968
Cash at bank		6,571	138,206
		<u>1,349,865</u>	<u>3,273,174</u>
CREDITORS			
Amounts falling due within one year	9	<u>1,273,995</u>	<u>3,203,506</u>
NET CURRENT ASSETS		<u>75,870</u>	<u>69,668</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u><u>77,464</u></u>	<u><u>72,263</u></u>
CAPITAL AND RESERVES			
Called up share capital	12	11,111	11,111
Retained earnings	13	66,353	61,152
SHAREHOLDERS' FUNDS		<u><u>77,464</u></u>	<u><u>72,263</u></u>

The financial statements were approved by the Board of Directors on 22/11/19 and were signed on its behalf by:



 S D Meller - Director

The notes form part of these financial statements

**Alternative Bridging Corporation
(Cheval) Ltd**

**Statement of Changes in Equity
for the year ended 30 September 2018**

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 October 2016	11,111	79,663	90,774
Changes in equity			
Dividends	-	(92,993)	(92,993)
Total comprehensive income	-	74,482	74,482
Balance at 30 September 2017	<u>11,111</u>	<u>61,152</u>	<u>72,263</u>
Changes in equity			
Dividends	-	(73,993)	(73,993)
Total comprehensive income	-	79,194	79,194
Balance at 30 September 2018	<u><u>11,111</u></u>	<u><u>66,353</u></u>	<u><u>77,464</u></u>

The notes form part of these financial statements

**Alternative Bridging Corporation
(Cheval) Ltd**

**Notes to the Financial Statements
for the year ended 30 September 2018**

1. STATUTORY INFORMATION

Alternative Bridging Corporation (Cheval) Ltd 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.

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" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Financial Reporting Standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 4 Statement of Financial Position paragraph 4.12(a)(iv);
- the requirements of Section 7 Statement of Cash Flows;
- the requirement of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.41(b), 11.41(c), 11.41(e), 11.41(f), 11.42, 11.44, 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c).

Turnover

Turnover represents fees and interest receivable on secured advances. Fees are recognised as services are provided and interest is recognised as it accrues over the life of advances.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Computer equipment - 25% on cost

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income, 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.

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.

**Alternative Bridging Corporation
(Cheval) Ltd**

**Notes to the Financial Statements - continued
for the year ended 30 September 2018**

3. EMPLOYEES AND DIRECTORS

	2018	2017
	£	£
Wages and salaries	-	2,500
Social security costs	-	252
	<u>-</u>	<u>2,752</u>

The average number of employees during the year was as follows:

	2018	2017
Staff salaries	<u>-</u>	<u>1</u>

	2018	2017
	£	£
Directors' remuneration	<u>-</u>	<u>2,500</u>

4. OPERATING PROFIT

The operating profit is stated after charging:

	2018	2017
	£	£
Depreciation - owned assets	1,001	1,001
Auditors' remuneration	9,600	10,150
Dividend on preference shares	<u>21,000</u>	<u>21,000</u>

5. TAXATION

Analysis of the tax charge

The tax charge on the profit for the year was as follows:

	2018	2017
	£	£
Current tax:		
UK corporation tax	<u>18,811</u>	<u>17,709</u>
Tax on profit	<u>18,811</u>	<u>17,709</u>

6. DIVIDENDS

	2018	2017
	£	£
A Ordinary shares of £1 each		
Interim	-	25,000
B Ordinary shares of £1 each		
Interim	<u>73,993</u>	<u>67,993</u>
	<u>73,993</u>	<u>92,993</u>

**Alternative Bridging Corporation
(Cheval) Ltd**

**Notes to the Financial Statements - continued
for the year ended 30 September 2018**

7. TANGIBLE FIXED ASSETS

	Computer equipment £
COST	
At 1 October 2017	
and 30 September 2018	4,006
DEPRECIATION	
At 1 October 2017	1,411
Charge for year	1,001
At 30 September 2018	2,412
NET BOOK VALUE	
At 30 September 2018	1,594
At 30 September 2017	2,595

8. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018 £	2017 £
Advances	1,243,494	3,067,715
Amounts owed by group undertakings	99,800	55,900
Prepayments and accrued income	-	11,353
	<u>1,343,294</u>	<u>3,134,968</u>

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018 £	2017 £
Preference shares (see note 10)	210,000	210,000
Amounts owed to group undertakings	1,035,441	2,957,085
Tax	18,811	17,709
Other creditors	143	2,230
Accrued expenses	9,600	16,482
	<u>1,273,995</u>	<u>3,203,506</u>

Included within amounts owed to group undertakings are secured amounts totalling £1,150,000 (2017: £2,956,100). See note 11 for details.

10. LOANS

An analysis of the maturity of loans is given below:

	2018 £	2017 £
Amounts falling due within one year or on demand:		
Preference shares	<u>210,000</u>	<u>210,000</u>

**Alternative Bridging Corporation
(Cheval) Ltd**

**Notes to the Financial Statements - continued
for the year ended 30 September 2018**

10. LOANS - continued

Details of shares shown as liabilities are as follows:

Allotted, issued and fully paid:		Nominal value:	2018	2017
Number:	Class:		£	£
210,000	Preference	£1	<u>210,000</u>	<u>210,000</u>

£100,000 and £110,000 preference shares were issued on 1 November 2013 and 30 June 2015 respectively, and are redeemable at anytime on or after 1 November 2015 and 30 June 2017 respectively. They rank prior to the A and B shares in the event of a return of assets, and entitle the holders to a fixed cumulative preference dividend of 10% per annum. They do not carry voting rights.

11. SECURED DEBTS

The following secured debts are included within creditors:

	2018	2017
	£	£
Amounts owed to group	<u>1,150,000</u>	<u>2,956,100</u>

The amounts owed to group undertakings are secured on second charges over advances made by the company.

12. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:		Nominal value:	2018	2017
Number:	Class:		£	£
10,000	A Ordinary	£1	10,000	10,000
1,111	B Ordinary	£1	<u>1,111</u>	<u>1,111</u>
			<u>11,111</u>	<u>11,111</u>

13. RESERVES

	Retained earnings £
At 1 October 2017	61,152
Profit for the year	79,194
Dividends	<u>(73,993)</u>
At 30 September 2018	<u>66,353</u>

14. ULTIMATE PARENT COMPANY

The ultimate holding company is Southern Group Limited, a company incorporated in England and Wales.

Alternative Bridging Corporation Limited own a controlling interest in the company.

**Alternative Bridging Corporation
(Cheval) Ltd**

**Notes to the Financial Statements - continued
for the year ended 30 September 2018**

15. RELATED PARTY DISCLOSURES

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.

At the year end the company owed £1,033,719 (2017: £2,956,100) to Property Finance Capital Limited and £1,722 (2017: £985) to Southern Funding Limited.

At the year end the company was owed £60,000 (2017: £25,000), £39,800 (2017: £16,300), £Nil (2017: £13,000) and £Nil (2017: £1,600) from Alternative Bridging Corporation Limited, Alternative Bridging (UK 1) Limited, Alternative Bridging (UK 2) Limited and Property Finance Nominees (No.3) Limited.

During the year the company paid management fees of £102,000 (2017: £102,000) and £190,254 (2017: £169,028) to Alternative Bridging Corporation Limited and Southern Funding Limited respectively.

During the year the company received fees totalling £249,300 (2017: £126,000) and £160,400 (2017: £161,100) from Alternative Bridging (UK 1) Limited and Alternative Bridging (UK 2) Limited.

During the year the company paid commission fees of £8,734 (2017: £26,781) to Southern Funding Limited.

During the year dividends were paid to Alternative Bridging Corporation Limited totalling £Nil (2017: £25,000)

During the year dividends were paid to Mr A H Kay and immediate members of his family totalling £73,993 (2017: £67,993).

16. APB ETHICAL STANDARD - PROVISIONS AVAILABLE FOR SMALL ENTITIES

In common with many other businesses of our size and nature we use our auditors to prepare and submit returns to the tax authorities and assist with the preparation of the financial statements.