

Registration number 05730092

CS 3000 Limited

Directors' Report and Financial Statements

for the Year Ended 31 March 2013

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CS 3000 Limited
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CS 3000 Limited
Company Information

Directors	A Donnelly C J Haslam J C Hitchins R M Prime
Company secretary	G A G Shephard
Registered office	Anglian House Ambury Road Huntingdon Cambridgeshire PE29 3NZ
Solicitors	HBJ Gateley 19 Canning Street Edinburgh EH3 8EH
Bankers	The Co-operative Bank plc PO Box 101 1 Balloon Street Manchester M60 4EP
Auditors	KPMG LLP Chartered Accountants

CS 3000 Limited
Directors' Report for the Year Ended 31 March 2013

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

Directors of the company

The directors who held office during the year and up to the date of signing the financial statements were as follows

A Donnelly

C J Haslam

J C Hitchins

R M Prime

Principal activity

The principal activity of the company is that of property development

Business Review

The company's balance sheet is detailed on page 6 and shows net liabilities of £821,781 (2012 £544,176 liabilities)

The Company successfully secured an extension to its term banking facility with the Co-operative Bank during February 2013. This has been extended for a period of up to 31 March 2016 and a number of financial covenants have been removed. The terms of the facility are expanded upon within note 8.

The Directors believe this allows the Company sufficient time to realise value from the property asset.

It remains the belief of the directors that, while the Company continues to receive the support of its Bank and Shareholders, it is appropriate to continue with the going concern principle.

Results and Dividends

The loss for the year was £277,605 (2012 £216,384 loss). The directors do not propose the payment of a dividend (2012 nil).

Disclosure of information to the auditors

Each director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information. The directors confirm that there is no relevant information that they know of and which they know the auditors are unaware of.

Small company provision

The Directors' Report has been prepared in accordance with the special provisions in Part 15 of the Companies Act 2006 relating to small companies.

Approved by the Board on 8th August 2013 and signed on its behalf by



A Donnelly
Director

CS 3000 Limited

Statement of Directors' Responsibilities

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 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 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.

Independent Auditor's Report to the Members of CS 3000 Limited

We have audited the financial statements of CS 3000 Limited for the year ended 31 March 2013, set out on pages 6 to 11. 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 Statement of Directors' Responsibilities (set out on page 3), 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 web-site www.frc.org.uk/auditscopeukprivate.

Opinion on the 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 March 2013 and of its loss 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
CS 3000 Limited**

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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 and the Directors' Report in accordance with the small companies regime


Hugh Harvie (Senior Statutory Auditor)

For and on behalf of KPMG LLP, Chartered Accountants and Statutory Auditors

Date 22.8.13

CS 3000 Limited
Profit and Loss Account for the Year Ended 31 March 2013

	Note	2013 £	2012 £
Turnover		63,613	16,000
Cost of sales		<u>(161,885)</u>	<u>(63,633)</u>
Operating loss		(98,272)	(47,633)
Interest payable and similar charges	3	<u>(179,333)</u>	<u>(168,750)</u>
Loss on ordinary activities before taxation		(277,605)	(216,383)
Tax on profit or loss on ordinary activities	4	<u>-</u>	<u>-</u>
Loss for the financial year		<u><u>(277,605)</u></u>	<u><u>(216,383)</u></u>

Turnover and operating loss derive wholly from continuing operations

The company has no recognised gains or losses for the year other than the results above and therefore no separate statement of total recognised gains and losses has been presented

There is no material difference between the loss on ordinary activities before taxation and the retained loss for the year stated above and their historical cost equivalent

CS 3000 Limited
(Registration number: 05730092)
Balance Sheet at 31 March 2013

	Note	2013 £	2012 £
Current assets			
Stocks	5	5,777,349	5,777,349
Debtors	6	21,102	161
Cash at bank and in hand		12,295	74,304
		<u>5,810,746</u>	<u>5,851,814</u>
Creditors Amounts falling due within one year	7	(72,359)	(67,822)
Total assets less current liabilities		5,738,387	5,783,992
Creditors Amounts falling due after more than one year	8	(6,560,168)	(6,328,168)
Net liabilities		<u>(821,781)</u>	<u>(544,176)</u>
Capital and reserves			
Called up share capital	9	2	2
Profit and loss account	10	(821,783)	(544,178)
Total shareholders' deficit		<u>(821,781)</u>	<u>(544,176)</u>

Approved by the Board on 8/8/2013 and signed on its behalf by



A Donnelly
Director



C J Haslam
Director

CS 3000 Limited

Notes to the Financial Statements for the Year Ended 31 March 2013

1 Accounting policies

The following accounting policies have been applied consistently in dealing with the items which are considered material in relation to the company's financial statements

Basis of preparation

The financial statements have been prepared in accordance with applicable Accounting Standards in the United Kingdom and under the historical cost accounting rules

Exemption from preparing a cash flow statement

The accounts do not include a cash flow statement because the company, as a small reporting entity, is exempt from the requirements to prepare such a statement

Going concern

The financial statements have been prepared on a going concern basis notwithstanding net current liabilities of £821,781 for the following reasons

- The company funds its activities through a combination of shareholder loans and an external bank facility
- The Shareholders have confirmed that they will not seek repayment of the loans currently outstanding for a period of at least 12 months from the date of signing of the accounts
- The external funding facilities were renewed in February 2013 with an extension to the repayment date to 31 March 2016 and the Directors continue to believe this allows the Company sufficient time to realise value from the property asset

As such the directors have a positive expectation that the company will continue in operational existence for the foreseeable future and continue to adopt the going concern basis in preparing the financial statements

Turnover

Turnover represents the value of property development activities where legal contracts have been completed during the year, wholly within the UK, excluding value added tax

Stocks, work in progress and long-term contracts

Properties are held as stocks and work in progress as it is not the directors' intention to hold them for the long term. Property developments are valued at the lower of cost and future net realisable value. Cost comprises direct expenditure and overheads incurred in the normal course of the business. Net realisable value is the estimated selling price at the relevant projected sale date less all costs to be incurred ahead of such future date. Provision is made for the foreseeable losses on contracts.

Deferred tax

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS 19

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. Where shares are issued, any component that creates a financial liability of the company is presented as a liability in the balance sheet. The corresponding dividends relating to the liability component are charged as interest expense in the profit and loss account.

CS 3000 Limited

Notes to the Financial Statements for the Year Ended 31 March 2013

..... *continued*

2 Auditor's remuneration

Audit fees for the year £3,000 (2012 £2,800)

3 Interest payable and similar charges

	2013 £	2012 £
Interest on bank borrowings	<u>179,333</u>	<u>168,750</u>

4 Taxation

Tax on loss on ordinary activities

	2013 £	2012 £
Current tax		
UK Corporation tax	<u>-</u>	<u>-</u>

Factors affecting current tax charge for the year

Tax on loss on ordinary activities for the year is higher than (2012 - higher than) the standard rate of corporation tax in the UK of 20% (2012 - 20%)

The differences are reconciled below

	2013 £	2012 £
Loss on ordinary activities before taxation	<u>(277,605)</u>	<u>(216,383)</u>
Corporation tax at standard rate of 20% (2012 20%)	<u>(55,521)</u>	<u>(43,277)</u>
Unutilised tax loss carried forward	<u>55,521</u>	<u>43,277</u>
Total current tax	<u>-</u>	<u>-</u>

The Company has a potential deferred tax asset of £164,357 (2012 £108,835) which it has not recognised due to the uncertainty of future profits against which it would be recognised

CS 3000 Limited

Notes to the Financial Statements for the Year Ended 31 March 2013

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5 Stocks

	2013	2012
	£	£
Stocks	<u>5,777,349</u>	<u>5,777,349</u>
The work in progress balance relates to a development project at Celtic Springs Business Park, Newport, South Wales		

6 Debtors

	2013	2012
	£	£
Trade debtors	15,123	-
Other debtors	<u>5,979</u>	<u>161</u>
	<u>21,102</u>	<u>161</u>

7 Creditors: Amounts falling due within one year

	2013	2012
	£	£
Trade creditors	13,517	4,593
Other creditors	<u>58,842</u>	<u>63,229</u>
	<u>72,359</u>	<u>67,822</u>

CS 3000 Limited

Notes to the Financial Statements for the Year Ended 31 March 2013

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8 Creditors: Amounts falling due after more than one year

	2013 £	2012 £
Bank loans and overdrafts	4,150,000	4,500,000
Shareholder loans	<u>2,410,168</u>	<u>1,828,168</u>
	<u>6,560,168</u>	<u>6,328,168</u>

The Co-operative Bank loan is repayable on the earlier of the sale of the development or 31 March 2016. Interest is payable on the loan at the annual rate which is the sum of the margin (5.25%) and the base rate.

The shareholder loans are subordinated to the bank loan.

9 Share capital

Allotted, called up and fully paid shares

	2013		2012	
	No.	£	No.	£
'A' Ordinary Shares of £1.00 each	1	1	1	1
'B' Ordinary Shares of £1.00 each	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>
	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>

10 Reserves

	Profit and loss account £	Total £
At 1 April 2012	(544,178)	(544,178)
Loss for the year	<u>(277,605)</u>	<u>(277,605)</u>
At 31 March 2013	<u>(821,783)</u>	<u>(821,783)</u>

11 Related party transactions

During the year AWG Property Limited, a shareholder, loaned the company £291,000. The total amount outstanding at the balance sheet date was £1,205,084 (2012: £914,084).

During the year Robert Hitchins Limited, a shareholder, loaned the company £291,000. The total amount outstanding at the balance sheet date was £1,205,084 (2012: £914,084).