

**COMPANY REGISTRATION NUMBER 00604711**

**DERITEND INVESTMENTS (CHEETHAM) LIMITED**

**FINANCIAL STATEMENTS**

**31 DECEMBER 2013**

**COHEN ARNOLD**  
Chartered Accountants & Statutory Auditor  
New Burlington House  
1075 Finchley Road  
London  
NW11 0PU

TUESDAY



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**DERITEND INVESTMENTS (CHEETHAM) LIMITED**  
**FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2013**

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**DERITEND INVESTMENTS (CHEETHAM) LIMITED**  
**OFFICERS AND PROFESSIONAL ADVISERS**

<b>The board of directors</b>	B S E Freshwater D Davis
<b>Company secretary</b>	M R M Jenner, F.C.I.S.
<b>Registered office</b>	Freshwater House 158-162 Shaftesbury Avenue London WC2H 8HR
<b>Auditor</b>	Cohen Arnold Chartered Accountants & Statutory Auditor New Burlington House 1075 Finchley Road London NW11 0PU

# **DERITEND INVESTMENTS (CHEETHAM) LIMITED**

## **DIRECTORS' REPORT**

### **YEAR ENDED 31 DECEMBER 2013**

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

#### **PRINCIPAL ACTIVITIES AND BUSINESS REVIEW**

The principal activity of the company is property investment. There has been no significant change in the nature of the company's business activities during the year under review, nor is any envisaged in the immediate future.

#### **RESULTS AND DIVIDENDS**

The profit for the year, after taxation, amounted to £15,942. The directors have not recommended a dividend.

#### **DIRECTORS**

The directors who served the company during the year were as follows:

B S E Freshwater  
D Davis

The Articles of Association of the company do not require the directors to retire by rotation. Neither director has a service contract, nor do they receive any emoluments from the company.

#### **PROPERTY**

A professional valuation of the company's investment property was carried out at 31 December 2013 by the company's valuers, Colliers International and the resultant figure has been included in the financial statements now being presented.

#### **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 year.

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.

#### **DONATIONS**

During the year the company made no charitable donation nor political contribution.

**DERITEND INVESTMENTS (CHEETHAM) LIMITED**

**DIRECTORS' REPORT** *(continued)*

**YEAR ENDED 31 DECEMBER 2013**

**AUDITOR**

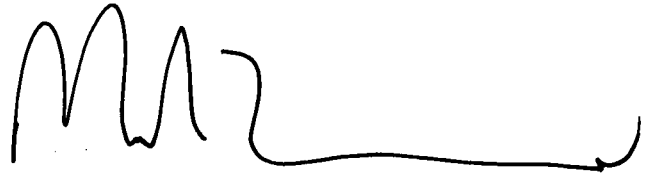
Cohen Arnold are deemed to be re-appointed under section 487(2) of the Companies Act 2006.

Each of the persons who is a director at the date of approval of this report confirm that:

- so far as each director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- each director has taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Registered office:  
Freshwater House  
158-162 Shaftesbury Avenue  
London  
WC2H 8HR

Signed by order of the directors

A handwritten signature in black ink, appearing to be 'M R M JENNER', followed by a long horizontal line extending to the right.

M R M JENNER, F.C.I.S.  
Company Secretary

Approved by the directors on 22 September 2014

**DERITEND INVESTMENTS (CHEETHAM) LIMITED**  
**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF**  
**DERITEND INVESTMENTS (CHEETHAM) LIMITED**  
**YEAR ENDED 31 DECEMBER 2013**

We have audited the financial statements of Deritend Investments (Cheetham) Limited for the year ended 31 December 2013 on pages 6 to 12. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's shareholders, 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 shareholders 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 shareholders 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 set out on page 2, 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 Ethical Standards for Auditors.

**SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

**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; 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.

**DERITEND INVESTMENTS (CHEETHAM) LIMITED**  
**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF**  
**DERITEND INVESTMENTS (CHEETHAM) LIMITED** *(continued)*

**YEAR ENDED 31 DECEMBER 2013**

**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 take advantage of the small companies exemption from the requirement to prepare a strategic report.



JOSHUA NEUMANN (Senior Statutory Auditor)  
For and on behalf of  
COHEN ARNOLD  
Chartered Accountants  
& Statutory Auditor

New Burlington House  
1075 Finchley Road  
London  
NW11 0PU

22 September 2014

**DERITEND INVESTMENTS (CHEETHAM) LIMITED**

**PROFIT AND LOSS ACCOUNT**

**YEAR ENDED 31 DECEMBER 2013**

		<b>2013</b>	<b>2012</b>
	<b>Note</b>	<b>£</b>	<b>£</b>
<b>TURNOVER</b>	<b>2</b>	<b>46,123</b>	<b>47,769</b>
Cost of Sales		<b>(68,312)</b>	<b>(59,227)</b>
<b>GROSS LOSS</b>		<b>(22,189)</b>	<b>(11,458)</b>
Administrative Expenses		<b>(6,000)</b>	<b>(6,000)</b>
<b>OPERATING LOSS</b>	<b>3</b>	<b>(28,189)</b>	<b>(17,458)</b>
Interest Receivable and Similar Income	<b>5</b>	<b>56,131</b>	<b>49,303</b>
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<b>27,942</b>	<b>31,845</b>
Tax on Profit on Ordinary Activities	<b>6</b>	<b>(12,000)</b>	<b>(11,000)</b>
<b>PROFIT FOR THE FINANCIAL YEAR</b>		<b>15,942</b>	<b>20,845</b>

All of the activities of the company are classed as continuing.

The company has no recognised gains or losses other than the results for the year as set out above.

The notes on pages 8 to 12 form part of these financial statements.

# DERITEND INVESTMENTS (CHEETHAM) LIMITED

## BALANCE SHEET

31 DECEMBER 2013

	Note	2013 £	2012 £
<b>FIXED ASSETS</b>			
Tangible Assets	7	450,000	450,000
<b>CURRENT ASSETS</b>			
Debtors	8	913,301	881,027
Cash at Bank		5,419	5,419
		<u>918,720</u>	<u>886,446</u>
<b>CREDITORS: Amounts falling due within one year</b>	9	<u>(68,418)</u>	<u>(52,086)</u>
<b>NET CURRENT ASSETS</b>		<b>850,302</b>	<b>834,360</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b><u>1,300,302</u></b>	<b><u>1,284,360</u></b>
<b>CAPITAL AND RESERVES</b>			
Called-Up Equity Share Capital	11	2	2
Revaluation Reserve	12	324,569	324,569
Profit and Loss Account	12	975,731	959,789
<b>SHAREHOLDERS' FUNDS</b>	13	<b><u>1,300,302</u></b>	<b><u>1,284,360</u></b>

These accounts were approved by the directors and authorised for issue on ~~27 September 2014~~ 27 September 2014 and are signed on their behalf by:

  
**B S E FRESHWATER**  
 Director

Company Registration Number: 00604711

The notes on pages 8 to 12 form part of these financial statements.

# **DERITEND INVESTMENTS (CHEETHAM) LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 DECEMBER 2013**

### **1. ACCOUNTING POLICIES**

#### **Basis of accounting**

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of certain fixed assets.

The financial statements have been prepared in accordance with the accounting principles appropriate to a going concern, as the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future by meeting its liabilities as they fall due, based on the net current asset position of the company and available sources of finance.

#### **Cash flow statement**

Under Financial Reporting Standard No. 1 "Cash Flow Statements" the company is exempt from the requirement to prepare a cash flow statement on the grounds that it is a wholly owned subsidiary undertaking of an intermediate parent undertaking registered in England and Wales which prepares consolidated financial statements that include a consolidated cash flow statement.

#### **Related party transactions**

The company has taken advantage of the exemption in Financial Reporting Standard No. 8 "Related Party Disclosures" in order to dispense with the requirement to disclose transactions with other wholly owned Metropolitan Properties Company Limited group companies.

#### **Turnover**

Turnover comprises rents and service charges receivable less applicable provisions.

#### **Investment properties**

Investment property is included in the balance sheet at professional valuation at 31 December 2013, on the basis stated in the "Tangible Fixed Assets" note to the financial statements. In accordance with Statement of Standard Accounting Practice No. 19:

- i) investment property is revalued annually and the aggregate surplus or deficit is transferred to a revaluation reserve, with the exception of permanent diminutions in value which are written off through the profit and loss account; and
- ii) no depreciation or amortisation is provided in respect of freehold investment properties and leasehold investment properties with over 20 years to run.

This treatment, as regards the company's investment property, may be a departure from the requirements of the Companies Act concerning depreciation of fixed assets. However, the property is not held for consumption but for investment and the directors consider that systematic annual depreciation would be inappropriate. The accounting policy adopted is therefore necessary for the financial statements to give a true and fair view. Depreciation and amortisation is only one of the many factors reflected in the annual valuation and the amount which might otherwise have been shown cannot be separately identified or quantified.

# DERITEND INVESTMENTS (CHEETHAM) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2013

### 1. ACCOUNTING POLICIES *(continued)*

#### Taxation

The charge or credit for taxation is based on the results for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes.

Current tax:

Provision is made for consideration payable to or receivable from other group undertakings for the surrender of losses under group relief provisions.

Deferred tax:

Deferred tax is provided in respect of all timing differences that have originated but not reversed by the balance sheet date where an event has occurred that results in an obligation to pay more or less tax in future, except that:

- No provision is made in respect of unrealised property revaluation surpluses; and
- Deferred tax assets are recognised to the extent that they are considered recoverable.

#### 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.

#### Acquisitions and disposals of properties

Acquisitions and disposals are considered to have taken place at the date of legal completion and are included in the financial statements accordingly. Disposals include the net proceeds from lease extensions.

### 2. TURNOVER

The turnover of the company is represented by rents and charges receivable in respect of the property held for investment purposes.

The gross profit is comprised as follows:

	2013	2012
	£	£
Rents and charges receivable	46,123	47,769
Property outgoings	(68,312)	(59,227)
Gross profit	<u>(22,189)</u>	<u>(11,458)</u>

### 3. OPERATING LOSS

Operating loss is stated after charging:

	2013	2012
	£	£
Auditor's remuneration		
- as auditor	<u>4,800</u>	<u>4,800</u>

# DERITEND INVESTMENTS (CHEETHAM) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2013

### 4. PARTICULARS OF EMPLOYEES

The company has no employees and no salaries or wages have been paid to the directors during the year.

The staff provided by the property and administrative management company, Highdorn Co. Limited, are engaged under joint employment contracts with a fellow subsidiary of the company and their costs subsequently recharged to the company at a level appropriate to the activity of the company. No recharges were made during the year (2012: Nil).

### 5. INTEREST RECEIVABLE AND SIMILAR INCOME

	2013	2012
	£	£
Interest from group undertakings	56,000	49,000
Other similar income receivable	131	303
	<u>56,131</u>	<u>49,303</u>

### 6. TAXATION ON ORDINARY ACTIVITIES

#### (a) Analysis of charge in the year

	2013	2012
	£	£
Current tax:		
Corporation tax	-	-
Consideration payable for group relief	12,000	11,000
Total current tax	<u>12,000</u>	<u>11,000</u>

#### (b) Factors affecting current tax charge

The tax assessed on the profit on ordinary activities for the year is higher than the standard rate of corporation tax in the UK of 23.25% (2012 - 24.50%).

	2013	2012
	£	£
Profit on ordinary activities before taxation	<u>27,942</u>	<u>31,845</u>
Profit on ordinary activities by rate of tax	6,497	7,802
Disallowable expenses	5,976	3,346
Other differences	(473)	(148)
Total current tax (note 6(a))	<u>12,000</u>	<u>11,000</u>

#### (c) Factors that may affect future tax charges

The 2013 Budget announced on 20 March 2013 that the UK Corporation tax rate will reduce to 20% by 2015. A reduction in the rate from 24% to 23% (effective from 1 April 2013) was substantively enacted on 3 July 2012 and further reductions to 21% (effective from 1 April 2014) and 20% (effective from 1 April 2015) were substantively enacted on 2 July 2013. This will reduce the company's future current tax charge.

The potential deferred taxation liability at 31 December 2013 in respect of the revaluation of investment property, for which no provision has been made, is estimated at £nil (2012: £nil).

**DERITEND INVESTMENTS (CHEETHAM) LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 DECEMBER 2013**

**7. TANGIBLE FIXED ASSETS**

	<b>Freehold Properties</b>
	<b>£</b>
<b>COST OR VALUATION</b>	
At 1 January 2013 and 31 December 2013	<u><u>450,000</u></u>
<b>NET BOOK VALUE</b>	
At 31 December 2013	<u><u>450,000</u></u>
At 31 December 2012	<u><u>450,000</u></u>

The historical cost of investment property at 31 December 2013 is £125,431.

A professional valuation of the company's investment property was carried out at 31 December 2013 by the company's valuers, Colliers International. The valuation figure is based on open market value assessed in accordance with the RICS Statement of Asset Valuation Practice and Guidance Notes.

**8. DEBTORS**

	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>
Trade debtors	<u>20,667</u>	13,534
Amounts owed by group undertakings	<u>892,617</u>	867,476
Other debtors	<u>17</u>	17
	<u><u>913,301</u></u>	<u><u>881,027</u></u>

**9. CREDITORS: Amounts falling due within one year**

	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>
Trade creditors	<u>11,026</u>	9,524
Amounts owed to group undertakings	<u>27,649</u>	10,859
Other creditors	<u>6,743</u>	6,703
Consideration payable for group relief	<u>23,000</u>	25,000
	<u><u>68,418</u></u>	<u><u>52,086</u></u>

**10. DIRECTORS' INTERESTS IN CONTRACTS**

The majority of the day to day management of the company's property and its operations is carried out by Highdorn Co. Limited, one of the Freshwater Group of Companies, with which this company is closely related. Mr B S E Freshwater is a director but has no beneficial interest in the share capital of that company.

During the year £1,057 (2012: £1,220), including VAT, was payable to Highdorn Co. Limited for these services which were charged for at normal commercial rates.

**11. SHARE CAPITAL**

**Allotted, called up and fully paid:**

	<b>2013</b>		<b>2012</b>	
	<b>No</b>	<b>£</b>	<b>No</b>	<b>£</b>
Ordinary shares of £1 each	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>

**DERITEND INVESTMENTS (CHEETHAM) LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 DECEMBER 2013**

**12. RESERVES**

	Revaluation reserve £	Profit and loss account £
Balance brought forward	324,569	959,789
Profit for the year	—	15,942
Balance carried forward	<u>324,569</u>	<u>975,731</u>

**13. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

	2013 £	2012 £
Profit for the financial year	15,942	20,845
Opening shareholders' funds	<u>1,284,360</u>	<u>1,263,515</u>
Closing shareholders' funds	<u>1,300,302</u>	<u>1,284,360</u>

**14. ULTIMATE PARENT UNDERTAKING**

The parent undertaking of the largest group of undertakings for which group financial statements are drawn up is Centremanor Limited, a company registered in England and Wales.

The parent undertaking of the smallest group of undertakings for which group financial statements are drawn up is Metropolitan Properties Company Limited a company registered in England and Wales.

Copies of these financial statements can be obtained from the following address:

Freshwater House, 158-162 Shaftesbury Avenue, London WC2H 8HR.

The ultimate parent undertaking is Linnet Limited, a company incorporated in the Isle of Man and controlled by trusts.