

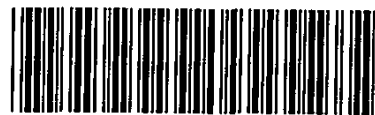


# Financial Statements CD Investments Staverton Limited

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**For the year ended 30 June 2011**

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COMPANIES HOUSE

**Registered number: 6042445**

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**CD Investments Staverton Limited**

## Company Information

<b>Company number</b>	6042445
<b>Registered office</b>	5 Armston Road Quorn Loughborough Leicestershire LE12 8QP
<b>Directors</b>	C Clarkson D Sear-Mayes
<b>Company secretary</b>	D Sear-Mayes
<b>Bankers</b>	Yorkshire Bank 29 Horsefair Street Leicester LE1 5BL
<b>Auditor</b>	Grant Thornton UK LLP Chartered Accountants & Statutory Auditor No 1 Dorset Street Southampton Hampshire SO15 2DP

**CD Investments Staverton Limited**

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**CD Investments Staverton Limited**

## **Directors' report**

**For the year ended 30 June 2011**

The directors present their report and the financial statements for the year ended 30 June 2011

### **Principal activities**

The company operates as property developers and also owns and receives rental income on commercial properties

### **Going concern**

The company is reporting net current liabilities of £986,494, which in part arises from £798,038 owed to J Davy (Basingstoke) Limited, a company related by being under the common control of this company's directors. The directors have reviewed the financial forecasts for the business for the next twelve months and have obtained assurance from J Davy (Basingstoke) Limited that the amount owed will not be called upon for a period of at least 12 months from the date of approval of these financial statements.

The company's forecasts and projections, taking account of reasonably possible changes in trading performance, show that the company should be able to operate within the level of its current bank facilities. The company has a tailored loan facility of £2,315,000, which is repayable depending on LIBOR and the amount outstanding, and expires in 2014. The directors have held discussions with its bankers about its future borrowing needs and no matters have been drawn to their attention to suggest that the company will be asked to repay the bank loans before they are due.

The directors have concluded they have no reason to believe that support will not be continued and accordingly it is appropriate to prepare the financial statements on a going concern basis.

### **Directors**

The directors who served during the year were

C Clarkson  
D Sear-Mayes

### **Directors' responsibilities statement**

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,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

**CD Investments Staverton Limited**

## Directors' report

For the year ended 30 June 2011

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.

### Provision of information to auditor

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that

- so far as that director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the company's auditor in connection with preparing its report and to establish that the company's auditor is aware of that information.

### Auditor

Under section 487(2) of the Companies Act 2006, Grant Thornton UK LLP will be deemed to have been reappointed as auditor 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier.

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on 26 / 4 / 12 and signed on its behalf

D Sear-Mayes  
Secretary





## Independent auditor's report to the members of CD Investments Staverton Limited

We have audited the financial statements of CD Investments Staverton Limited for the year ended 30 June 2011, which comprise the Profit and loss account, the Statement of total recognised gains and losses, the Balance sheet and the related notes. 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 Directors' responsibilities statement, 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

A description of the scope of an audit of financial statements is provided on the Auditing Practices Board's website at [www.frc.org.uk/apb/scope/private.cfm](http://www.frc.org.uk/apb/scope/private.cfm).

### 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 30 June 2011 and of its profit 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.

### Emphasis of matter

In forming our opinion, which is not qualified, we have considered the adequacy of the disclosure made in the principal accounting policies on page 8, concerning the company's ability to continue as a going concern. The company had net current liabilities of £986,494 at 30 June 2011 and is dependent on the continuing support of its directors, related parties and bankers. These conditions, along with the other matters explained in note 1 to the financial statements, indicate the existence of a material uncertainty which may cast significant doubt about the company's ability to continue as a going concern. The financial statements do not include the adjustments that would result if the company was unable to continue as a going concern.

### 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 CD Investments Staverton Limited

### 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 in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the Directors' report

A handwritten signature in black ink, appearing to read 'Norman Armstrong'.

Norman Armstrong (Senior statutory auditor)

for and on behalf of

**Grant Thornton UK LLP**

Chartered Accountants  
Statutory Auditor

Southampton

Date 3 May 2012

**CD Investments Staverton Limited**

## **Profit and loss account**

**For the year ended 30 June 2011**

		<b>30 June 2011</b>	<b>18 month period ended 30 June 2010</b>
	<b>Note</b>	<b>£</b>	<b>£</b>
<b>Turnover</b>		<b>261,343</b>	<b>342,702</b>
Cost of sales		<b>(9,049)</b>	<b>(5,550)</b>
<b>Gross profit</b>		<b>252,294</b>	<b>337,152</b>
Administrative expenses		<b>(159,648)</b>	<b>(214,772)</b>
<b>Operating profit</b>	<b>2</b>	<b>92,646</b>	<b>122,380</b>
Interest payable and similar charges		<b>(84,734)</b>	<b>(120,103)</b>
<b>Profit on ordinary activities before taxation</b>		<b>7,912</b>	<b>2,277</b>
Tax on profit on ordinary activities		<b>-</b>	<b>-</b>
<b>Profit for the financial year</b>		<b>7,912</b>	<b>2,277</b>

The notes on pages 8 to 11 form part of these financial statements

**CD Investments Staverton Limited**

**Statement of total recognised gains and losses**

**For the year ended 30 June 2011**

		<b>30 June 2011</b>	<b>18 month period ended 30 June 2010</b>
	<b>Note</b>	<b>£</b>	<b>£</b>
<b>Profit for the financial year</b>		<b>7,912</b>	<b>2,277</b>
Unrealised deficit on revaluation of investment properties		<b>(121,192)</b>	<b>-</b>
<b>Total recognised gains and losses relating to the year</b>		<b>(113,280)</b>	<b>2,277</b>

The notes on pages 8 to 11 form part of these financial statements


## Balance sheet

As at 30 June 2011

	Note	£	2011 £	£	2010 £
<b>Fixed assets</b>					
Investment property	3		3,339,907		3,446,099
<b>Current assets</b>					
Debtors	4	25,335		31,767	
Cash at bank		5,566		856	
		<u>30,901</u>		<u>32,623</u>	
<b>Creditors: amounts falling due within one year</b>	5	<u>(1,017,395)</u>		<u>(935,392)</u>	
<b>Net current liabilities</b>			<u>(986,494)</u>		<u>(902,769)</u>
<b>Total assets less current liabilities</b>			<u>2,353,413</u>		<u>2,543,330</u>
<b>Creditors: amounts falling due after more than one year</b>	6		<u>(2,024,352)</u>		<u>(2,100,989)</u>
<b>Net assets</b>			<u><u>329,061</u></u>		<u><u>442,341</u></u>
<b>Capital and reserves</b>					
Called up share capital	7		2		2
Revaluation reserve	8		275,631		396,823
Profit and loss account	8		<u>53,428</u>		<u>45,516</u>
<b>Shareholders' funds</b>			<u><u>329,061</u></u>		<u><u>442,341</u></u>

The financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006 and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 26/4/12

  
**D Sear-Mayes**  
 Director

  
**C Clarkson**  
 Director

The notes on pages 8 to 11 form part of these financial statements

## **Notes to the financial statements**

**For the year ended 30 June 2011**

### **1. Accounting policies**

#### **1.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

The accounts show a net current liability position of £986,494, which includes £798,038 owing to J Davy (Basingstoke) Limited and £141,907 owing to the company's bankers. The accounts have been prepared on the going concern basis which is dependent on the continued financial support of the directors and J Davy (Basingstoke) Ltd, a related undertaking due to the common ownership and directors Mr D Sear-Mayes and Mr C Clarkson and the bank. A letter of on-going support for a period of no less than 12 months from the date of approval of these financial statements has been received from J Davy (Basingstoke) Limited which is able to provide the company with additional funds if required. The directors have no reason to believe the bank will not continue to support the company under the current terms of the loan agreement which is reflected by the repayment schedule shown in Notes 6 and 7 to the accounts. The directors have also prepared forecasts which demonstrate the company's ability to trade within these facilities.

The principle accounting policies of the company have remained unchanged from the previous year and are set out below.

#### **1.2 Cash flow**

The financial statements do not include a Cash flow statement because the company, as a small reporting entity, is exempt from the requirement to prepare such a statement under the Financial Reporting Standard for Smaller Entities (effective April 2008).

#### **1.3 Turnover**

Rental income is recognised for the period that the site was actually occupied. Other income is recognised on raising of the invoice once the work has been completed. Property income is recognised at the date of the sale of the property sold.

#### **1.4 Tangible fixed assets and depreciation**

Depreciation is calculated to write down the cost or valuation less estimated residual value of all tangible fixed assets, other than freehold land, by equal annual instalments over their expected useful lives.

No depreciation is provided on the Investment properties which, in the opinion of the directors, have a value in excess of their cost.

## Notes to the financial statements

For the year ended 30 June 2011

### 1. Accounting policies (continued)

#### 1.5 Investment properties

Investment properties are shown at their open market value. The surplus or deficit arising from the annual revaluation is transferred to the investment revaluation reserve unless a deficit, 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.

This is in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008) which, unlike the Companies Act 2006, does not require depreciation of investment properties. Investment properties are held for their investment potential and not for use by the company and so their current value is of prime importance. The departure from the provisions of the Act is required in order to give a true and fair view.

#### 1.6 Operating leases

Rentals under operating leases are charged to the Profit and loss account on a straight line basis over the lease term.

#### 1.7 Capitalised interest

Interest on the cost of development projects has been capitalised.

### 2. Operating profit

During the year, no director received any emoluments (2010 - £NIL).

The auditor's fees have been borne by a related party, CSM (Basingstoke) Limited in both periods.

### 3. Investment property

	Freehold investment property £
<b>Cost or valuation</b>	
At 1 July 2010	3,446,099
Additions at cost	15,000
Deficit on valuation in year	(121,192)
At 30 June 2011	<u>3,339,907</u>

The value at which the investment property is held is based on the directors' assessment of fair value at the year end based on the rental yield of the properties at current market yield rates.

At 30 June 2011, the directors believe that the value at which the investment property is held at is a reasonable valuation in view of current leasehold agreements in place.

**CD Investments Staverton Limited**

# Notes to the financial statements

For the year ended 30 June 2011

**4. Debtors**

	2011 £	2010 £
Trade debtors	1,294	7,726
Other debtors	24,041	24,041
	<u>25,335</u>	<u>31,767</u>

**5. Creditors:**

**Amounts falling due within one year**

	2011 £	2010 £
Bank loans and overdrafts	141,907	139,698
Trade creditors	16,237	14,799
Amounts owed to J Davy (Basingstoke) Limited	798,038	654,924
Amounts owed to V & S Fabrications Limited	11,484	-
Social security and other taxes	9,327	7,482
Other creditors	40,402	118,489
	<u>1,017,395</u>	<u>935,392</u>

The bank borrowings are secured by a fixed and floating charge over the assets of the company

**6. Creditors:**

**Amounts falling due after more than one year**

	2011 £	2010 £
Bank loans	<u>2,024,352</u>	<u>2,100,989</u>

The bank borrowings are secured by a fixed and floating charge over the assets of the company

The bank loan is repayable in monthly instalments at 0.625% over LIBOR.

Included within bank loans are amounts of £1,499,115 (2010 - £1,624,327) due in more than five years.

**7. Share capital**

	2011 £	2010 £
Allotted, called up and fully paid		
2 Ordinary shares of £1 each	<u>2</u>	<u>2</u>

# Notes to the financial statements

For the year ended 30 June 2011

## 8. Reserves

	Revaluation reserve £	Profit and loss account £
At 1 July 2010	396,823	45,516
Profit for the year		7,912
Deficit on revaluation of investment property	(121,192)	
At 30 June 2011	<u>275,631</u>	<u>53,428</u>

## 9. Capital commitments

There were no capital commitments as at 30 June 2011 or 30 June 2010

## 10. Contingent liabilities

There were no contingent liabilities as at 30 June 2011 or 30 June 2010

## 11. Operating lease commitments

At 30 June 2011 the company had annual commitments under non-cancellable operating leases as follows

	2011 £	2010 £
Expiry date:		
After more than 5 years	<u>50,000</u>	<u>50,000</u>

## 12. Related party transactions

The company has taken advantage of the exemption in FRS 8 'Related party disclosures' not to disclose transactions between the company and other companies within the group which are wholly owned

At 30 June 2011 the company owed £753,038 (2010 - £553,718) to J Davy (Basingstoke) Limited, a company related by common control of the directors. During the year the company paid interest of £16,608 (2010 - £26,022) to J Davy (Basingstoke) Limited. The company also charged management fees of £7,200 (2010 - £10,800) to J Davy (Basingstoke) Limited.

In addition the company also made purchases of £110,000 (2010 - £5,177) from V & S Fabrications Ltd, a company related by common control of the directors.

## 13. Ultimate parent undertaking and controlling party

The company is ultimately controlled by CD Investments (UK) Limited by virtue of its 100% ownership of the issued share capital.