

Chewton Rose Limited

Directors' report and financial statements

Registered number 08525285

Year ended 31 December 2016

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Contents

Directors and officers	1
Directors' report	2
Statement of directors' responsibilities in respect of the directors' report and the financial statements	3
Independent auditor's report to the members of Chewton Rose Limited	4
Profit and loss account and other comprehensive income	6
Balance sheet	7
Statement of changes in equity	8
Notes	9

Directors and officers

Directors: P A Smith
L F E Pollington

Registered office: Colwyn House
Sheepen Place
Colchester
Essex
CO3 3LD

Auditor: KPMG LLP
Chartered Accountants
Botanic House
100 Hills Road
Cambridge
CB2 1AR

Directors' report

The directors present their report and the financial statements for the year ended 31 December 2016.

Directors of the company

The directors who held office during the year were as follows:

P A Smith

L F E Pollington

Political and charitable contributions

The company made charitable contributions during the year of £41 (2015: £nil) and no political contributions (2015: £nil).

Disclosure of information to the auditor

So far as each of the directors is aware, there is no relevant audit information of which the company's auditor is unaware, and they have taken all steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and have established that the company's auditor is aware of that information.

Auditor

Pursuant to Section 487 of the Companies Act 2006, the auditors will be deemed to be reappointed and KPMG LLP will therefore continue in office.

Small company provisions

This report has been prepared in accordance with the small companies' exemption under Section 415A of the Companies Act 2006.

By order of the board



P A Smith
Director

Date: 20th SEPT 2017

Colwyn House
Sheepen Place
Colchester
Essex
CO3 3LD

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE DIRECTORS' REPORT AND THE FINANCIAL STATEMENTS

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 they have elected to prepare the financial statements in accordance with applicable law and Section 1A of FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (UK Generally Accepted Accounting Practice applicable to Smaller Entities).

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 estimates that are reasonable and prudent; 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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.



KPMG LLP

Botanic House
100 Hills Road
Cambridge
CB2 1AR
United Kingdom

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CHEWTON ROSE LIMITED

We have audited the financial statements of Chewton Rose Limited for the year ended 31 December 2016 set out on pages 6 to 15. The financial reporting framework that has been applied in their preparation is applicable law and Section 1A of FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (UK 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 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 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 website at www.frc.org.uk/auditscopeukprivate.

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 2016 and of its loss for the year then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CHEWTON ROSE LIMITED *(continued)*

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year is consistent with the financial statements.

Based solely on the work required to be undertaken in the course of the audit of the financial statements and from reading the Directors' report:

- we have not identified material misstatements in that report; and
- in our opinion, that report has been prepared in accordance with the Companies Act 2006.

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 from the requirement to prepare a strategic report.

Mark Prince (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants

Botanic House
100 Hills Road
Cambridge
CB2 1AR

Date

21 September 2017

Profit and Loss Account and Other Comprehensive Income

For the year ended 31 December 2016

	<i>Notes</i>	2016 £000	2015 £000
Turnover		2,583	3,090
Operating expenses		(3,887)	(4,096)
Operating loss	2	(1,304)	(1,006)
Interest payable and similar charges	5	(24)	(18)
Loss before taxation		(1,328)	(1,024)
Tax on loss	6	-	-
Total comprehensive loss for the financial year		(1,328)	(1,024)

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.

The notes on pages 9 to 15 form part of these financial statements.

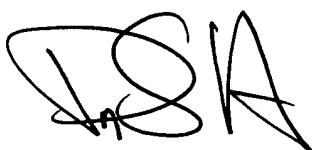
Balance Sheet

At 31 December 2016

	Notes	2016 £000	2015 £000
Fixed assets			
Tangible fixed assets	7	101	104
Current assets			
Debtors	8	225	220
Cash at banks and in hand		47	48
		<u>272</u>	<u>268</u>
Creditors: Amounts falling due within one year	9	<u>(5,281)</u>	<u>(3,984)</u>
Net current liabilities		<u>(5,009)</u>	<u>(3,716)</u>
Total assets less current liabilities		<u>(4,908)</u>	<u>(3,612)</u>
Provisions for liabilities	10	(39)	(7)
Net liabilities		<u>(4,947)</u>	<u>(3,619)</u>
Capital and reserves			
Called up share capital		-	-
Profit and loss account		(4,947)	(3,619)
Shareholders' deficit		<u>(4,947)</u>	<u>(3,619)</u>

These accounts have been prepared under the special provision in Part 15 of the Companies Act 2006 relating to small companies and in accordance with the provisions of Section 1A of FRS 102 – small entities.

These financial statements were approved and authorised by the board of directors on 20th SEPT 2017 and were signed on its behalf by:



P A Smith
Director

Company registered number: 08525285

Colwyn House
Sheepen Place
Colchester
Essex
CO3 3LD

The notes on pages 9 to 15 form part of these financial statements.

Statement of Changes in Equity
for the year ended 31 December 2016

	Called up share capital £000	Profit and loss account £000	Total equity £000
At 1 January 2015	-	(2,595)	(2,595)
Total comprehensive income			
Loss for the year	-	(1,024)	(1,024)
	<hr/>	<hr/>	<hr/>
At 31 December 2015	-	(3,619)	(3,619)
	<hr/>	<hr/>	<hr/>
Total comprehensive income			
Loss for the year	-	(1,328)	(1,328)
	<hr/>	<hr/>	<hr/>
At 31 December 2016	-	(4,947)	(4,947)
	<hr/>	<hr/>	<hr/>

The notes on pages 9 to 15 form part of these financial statements.

Notes

(forming part of the financial statements)

1 Accounting policies

Basis of preparation

These financial statements were prepared in accordance with Section 1A of FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (UK Generally Accepted Accounting Practice applicable to Smaller Entities) ("Section 1A of FRS 102") as issued in August 2014. The amendments to Section 1A of FRS 102 issued in July 2015 and effective immediately have been applied. The presentation currency of these financial statements is sterling. All amounts in the financial statements have been rounded to the nearest £1,000.

Going concern

The company's immediate parent, Spicerhaart Group Limited, has confirmed that it will provide sufficient financial support to the company to enable it to meet its ongoing liabilities as they fall due for at least 12 months from the date of signing these financial statements.

The directors therefore consider it appropriate for the financial statements to be prepared on a going concern basis. The financial statements do not include any adjustment that would be required if the going concern basis is inappropriate.

Cash flow statement

The directors have taken advantage of the exemption in Section 1A of FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (UK Generally Accepted Accounting Practice applicable to Smaller Entities) from including a cash flow statement in the financial statements on the grounds that the company is wholly owned and its parent publishes a consolidated cash flow statement.

Turnover

Turnover comprises commission and fees receivable excluding VAT and is all earned in the United Kingdom. Commission earned on sales of property is recognised on exchange of contracts.

Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses.

The company assesses at each reporting date whether tangible fixed assets are impaired.

Depreciation is charged to the profit and loss account on a straight-line basis over the estimated useful lives of each part of an item of tangible fixed assets. The estimated useful lives are as follows:

Asset class	Depreciation method and rate
Leasehold property improvements	20% straight line per annum
Fixtures, fittings	25% straight line per annum
Office equipment	25% - 33 1/3% straight line per annum

Notes (continued)

1 Accounting policies (continued)

Current tax

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax

Deferred tax is provided in full on timing differences which result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items in taxation computations in periods different to those in which they are included in the financial statements. Deferred tax assets are recognised to the extent that is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities have not been discounted to reflect the time value of money.

Hire purchase and leasing

Rental costs under operating leases are charged to profit and loss account on a straight line basis over the lease term.

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.

Pensions

The company operates a defined contribution pension scheme. Contributions are recognised in the profit and loss account in the period to which they relate.

Provisions

A provision is recognised in the balance sheet when the Company has a present legal or constructive obligation as a result of a past event, that can be reliably measured and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are recognised at the best estimate of the amount required to settle the obligation at the reporting date.

Where the Company enters into financial guarantee contracts to guarantee the indebtedness of other companies within its group, the company treats the guarantee contract as a contingent liability until such time as it becomes probable that the company will be required to make a payment under the guarantee.

Notes (continued)

2 Expenses and auditor's remuneration

Included in profit/loss are the following:

	2016	2015
	£000	£000
Lease costs	167	161
Auditors remuneration- audit of these financial statements	5	5
Depreciation of tangible fixed assets	75	85
Exceptional items		
Costs associated with cost reduction and restructuring programme	84	-

Amounts receivable by the company's auditor and its associates in respect of services to the company and its associates, other than the audit of the company's financial statements, have not been disclosed as the information is required to be disclosed on a consolidated basis in the consolidated financial statements of the company's immediate parent, Spicerhaart Group Limited.

3 Staff numbers and cost

The average number of persons employed by the company (including directors) during the year, analysed by category was as follows:

	2016 No.	2015 No.
Administration and support	41	40

The aggregate payroll costs were as follows:

	2016 £000	2015 £000
Wages and Salaries	1,400	1,308
Social security costs	163	142
Staff pensions	9	9
	1,572	1,459

Contracts of employment are held with Spicerhaart Group Services Limited, another wholly owned subsidiary within the group. The directors deem it more appropriate to recognise and disclose the costs associated with the employees in the company to which their services relate.

4 Directors' remuneration

During 2016 the new method of directors' remuneration allocation was used by the management of the Spicerhaart group. This is based on an estimate of the time spent by each director on each of the companies within the group. The comparative disclosure was respectively amended based on the new allocation method.

	2016 £000	2015 £000
Directors' remuneration	16	15

Notes (continued)

5 Interest payable and similar charges

Interest payable includes £23,931 (2015: £18,158) payable on balances with other group companies.

6 Taxation

Analysis of charge in year

	2016	2015
	£000	£000
<i>UK corporation tax</i>		
Current tax on income for the year	-	-
	<hr/>	<hr/>
Total current tax	-	-
	<hr/>	<hr/>
Tax on loss	-	-
	<hr/>	<hr/>

The company has the following unrecognised deferred tax asset.

	2016	2015
	£000	£000
Accelerated capital allowances	39	39
	<hr/>	<hr/>

In accordance with the guidelines set out in FRS 102 paragraph 29.7 'Income tax' the company has not recognised the above deferred tax asset within these financial statements as the recoverability cannot be seen in the foreseeable future.

The above unrecognised deferred tax asset has been calculated at a rate of 17% (2015: 18%) which is the rate substantively enacted at the balance sheet date.

	2016	2015
	£000	£000
<i>Reconciliation of effective tax rate</i>		
Loss before taxation	(1,328)	(1024)
	<hr/>	<hr/>
Tax using the UK corporation tax rate of 20% (2015: 20.25%)	(265)	(207)
<i>Effects of:</i>		
Fixed Asset Differences	5	8
Expenses not deductible for tax purposes	2	-
Income not taxable for tax purposes	-	-
Depreciation in excess of capital allowances	-	-
Adjustments to brought forward values	-	-
Other short term timing differences	-	-
Group relief surrender	254	203
Adjust closing deferred tax to average rate	7	5
Adjust opening deferred tax to average rate	(4)	(1)
Deferred tax not recognised	-	(8)
Unexplained difference	1	-
	<hr/>	<hr/>
Total tax charge included in profit and loss	-	-
	<hr/>	<hr/>

Notes (continued)

7 Tangible fixed assets

	Leasehold property improvements £000	Fixtures and fittings £000	Office equipment £000	Total £000
Cost				
At 1 January 2016	121	133	41	295
Additions	28	26	18	72
Disposals	(45)	(19)	(3)	(67)
At 31 December 2016	104	140	56	300
Depreciation				
At 1 January 2016	86	88	17	191
Charge for the year	26	32	17	75
Disposals	(45)	(19)	(3)	(67)
At 31 December 2016	67	101	31	199
Net book value				
At 31 December 2016	37	39	25	101
At 31 December 2015	35	45	24	104

8 Debtors

	2016 £000	2015 £000
Trade debtors	131	168
Other debtors	94	52
	225	220

9 Creditors: Amounts falling due within one year

	2016 £000	2015 £000
Trade creditors	7	11
Amounts owed to group undertakings	5,036	3,690
Other taxes and social security	95	150
Other creditors	143	133
	5,281	3,984

Notes (continued)

10 Provisions for liabilities

	Dilapidations provisions £000	Total £000
At 1 January 2016	7	7
Additional provision made during the year	39	39
Utilised during the year	(7)	(7)
	<hr/>	<hr/>
At 31 December 2016	39	39
	<hr/> <hr/>	<hr/> <hr/>

The company recognises a provision for the estimated costs for dilapidations that may become payable under the terms of the current leasehold property contracts at the end of the lease. The costs are accrued over the life of the lease and reassessed each year. It is expected that £39,000 will be payable within one year of the balance sheet date.

11 Pension schemes

The company operates a defined contribution pension scheme. The pension cost charged to the profit and loss account for the year represents contributions payable by the company to the scheme and amounted to £9,474 (2015: £8,842). At the year end, there were no (2015: £0) contributions outstanding.

12 Contingent liabilities

The company has cross guarantees in place with other companies in the Spicerhaart Group Limited group of companies in respect of its banking arrangements.

13 Commitments

Annual commitments under non-cancellable operating leases are as follows:

	2016 £000	2015 £000
<i>Operating leases which expire:</i>		
Less than one year	237	205
Between one and five years	650	378
More than five years	173	256
	<hr/>	<hr/>
	1,060	839
	<hr/> <hr/>	<hr/> <hr/>

14 Related party transactions

The company has taken advantage of the exemption in Section 1A of FRS102 paragraph 1AC.35 "Related Party Disclosures" from disclosing transactions with other members of the group.

15 Control

The company is controlled by P A Smith by virtue of his shareholding in the ultimate parent company.

The ultimate parent company is VRS Investments Limited. The smallest group for which consolidated accounts are prepared is Spicerhaart Group Limited. Copies of the consolidated group accounts of Spicerhaart Group Limited can be obtained at the company's office address Colwyn House, Sheepen Place, Colchester, Essex, CO3 3LD.

16 Subsequent events

There were no significant events after the balance sheet date.