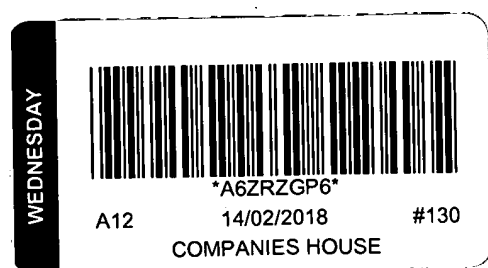


Company Registration No. 10415955 (England and Wales)

**CHRISTIAN PROPERTY UK LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 APRIL 2017**



# CHRISTIAN PROPERTY UK LIMITED

## COMPANY INFORMATION

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<b>Director</b>	M Kay	(Appointed 7 October 2016)
<b>Company number</b>	10415955	
<b>Registered office</b>	C/o UHY Hacker Young St James Building 79 Oxford Street Manchester M1 6HT	
<b>Auditor</b>	UHY Hacker Young Manchester LLP St James Building 79 Oxford Street Manchester M1 6HT	
<b>Business address</b>	Waterside Collarhouse Drive Presbury Cheshire SK10 4GB	
<b>Bankers</b>	Santander Bridle Road Bootle L30 4GB	

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# CHRISTIAN PROPERTY UK LIMITED

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# **CHRISTIAN PROPERTY UK LIMITED**

## **STRATEGIC REPORT**

### **FOR THE YEAR ENDED 30 APRIL 2017**

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The director presents the strategic report for the year ended 30 April 2017.

#### **Fair review of the business**

The company was incorporated on 7 October 2016 and its principal activity is that of property investment.

The group principally trades as a used car dealership, operating from two main sites on Bell Lane, Bury.

The group has been consolidated under the merger accounting method and so has incorporated the full accounts of its subsidiary despite only trading since 7 October 2016.

Turnover for the group for the year has increased by 23.9% to £28.2m. This is an outstanding result which reflects the continued demand for quality used cars and has been further driven by investment in our sales and customer service staff, with average overall staff numbers increasing by 12 on 2016 to 46. The company achieved a pre-tax profit of £741,882 (2016: 672,967).

The trading activities of the current financial year has been satisfactory and is in line with expectations.

#### **Principal risks and uncertainties**

The group recognises that it is subject to a degree of risk. A review of these risks is conducted on a regular basis. The principle risks to the company are:

- Competition from other used car dealerships
- Downturns in the value of used cars
- Attacks on the company's IT infrastructure from cyber criminals
- Impact of leaving the EU resulting in a wider economic downturn

The business monitors the actions of competitors along with the market price of cars and responds accordingly in order to maintain a competitive stance. The company regularly reviews its IT security in order to mitigate threats to its systems.

#### **Development and performance**

During the last 12 months, the business has invested in sales and administrative staff in order to drive the growth of the business and improve the financial performance. The company has provided extensive training to staff to ensure they are providing excellent customer service due to their knowledge of the vehicles and their understanding of customer needs. The company is pleased with the outcomes of this investment which will enable the business to secure itself as a key player in the local used car market and further improve the reputation of the business.

The business will continue to evaluate its position in the local used car market and assess opportunities arising in order to further drive growth.

# CHRISTIAN PROPERTY UK LIMITED

## STRATEGIC REPORT (CONTINUED)

**FOR THE YEAR ENDED 30 APRIL 2017**

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### **Key performance indicators**

Management use a number of financial and non-financial KPI's to review the performance and position of the business. These include movements in turnover and gross profit margin.

For the year to 30 April 2017, turnover has increased by 23.9% compared with the previous year (2016: Increase: 45.6%). Gross profit margin is 13.3% (2016: 12.43%). Cash at the year-end is £1,263,432 (2016: £1,113,577).

Non-financial KPI's include customer complaints and customer satisfaction surveys (CSS) which are monitored on a monthly basis.

On behalf of the board



M Kay

**Director**

8 February 2018

# **CHRISTIAN PROPERTY UK LIMITED**

## **DIRECTOR'S REPORT**

### **FOR THE YEAR ENDED 30 APRIL 2017**

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The director presents his annual report and financial statements for the year ended 30 April 2017.

#### **Principal activities**

The nature of the company's operations and its principal activities are that of letting investment property.

#### **Director**

The director who held office during the year and up to the date of signature of the financial statements was as follows:

M Kay

(Appointed 7 October 2016)

#### **Results and dividends**

The results for the year are set out on page 7.

Ordinary dividends were paid amounting to £5,000. The director does not recommend payment of a further dividend.

#### **Financial instruments**

The company has a normal level of exposure to price, credit, liquidity and cash flow risks arising from its trading activities which are only conducted in sterling. The company does not enter into any hedging transaction.

#### **Liquidity risk**

The Company manages its cash and borrowing requirements to ensure that the Company has sufficient liquid resources to meet the operating needs of the business which are conducted in sterling.

#### **Interest rate risk**

The Company has both interest bearing assets and interest bearing liabilities. Interest bearing assets include only cash balances which earn interest at a variable rate. The loans are subject to a combination of fixed and variable interest rates.

#### **Credit risk**

The company has a normal level of exposure to price and credit risk arising from its trading activities. The company does not enter into any hedging transactions.

#### **Going concern**

The director has a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus the director continues to adopt the going concern basis in preparing the annual financial statements.

# CHRISTIAN PROPERTY UK LIMITED

## DIRECTOR'S REPORT (CONTINUED)

**FOR THE YEAR ENDED 30 APRIL 2017**

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### Statement of director's responsibilities

The director is responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has 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 director must not approve the financial statements unless he is satisfied that they give a true and fair view of the state of affairs of the group and company, and of the profit or loss of the group for that period. In preparing these financial statements, the director is required to:

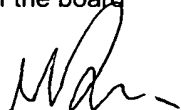
- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and company will continue in business.

The director is responsible for keeping adequate accounting records that are sufficient to show and explain the group's and company's transactions and disclose with reasonable accuracy at any time the financial position of the group and company and enable them to ensure that the financial statements comply with the Companies Act 2006. He is also responsible for safeguarding the assets of the group and company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the auditor of the company is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the auditor of the company is aware of that information.

On behalf of the board



M Kay

**Director**

8 February 2018

# **CHRISTIAN PROPERTY UK LIMITED**

## **INDEPENDENT AUDITOR'S REPORT**

### **TO THE MEMBERS OF CHRISTIAN PROPERTY UK LIMITED**

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We have audited the financial statements of Christian Property UK Limited for the year ended 30 April 2017 which comprise the Group Profit And Loss Account, the Group Statement of Comprehensive Income, the Group Balance Sheet, the Company Balance Sheet, the Group Statement of Changes in Equity, the Company Statement of Changes in Equity, the Group Statement of Cash Flows and the related notes. 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), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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 director and auditor**

As explained more fully in the Director's Responsibilities Statement, the director is 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 group's and the parent company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the director; 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 group's and the parent company's affairs as at 30 April 2017 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, based on the work undertaken in the course of our audit, the information given in the Strategic Report and the Director's Report for the financial year for which the financial statements are prepared is consistent with the financial statements, and the Strategic Report and the Director's Report have been prepared in accordance with applicable legal requirements.



# CHRISTIAN PROPERTY UK LIMITED

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE MEMBERS OF CHRISTIAN PROPERTY UK LIMITED

---

#### Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and the Director's Report.

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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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.



Paul Daly BEng FCA (Senior Statutory Auditor)  
for and on behalf of UHY Hacker Young Manchester LLP

8 FEBRUARY 2012

Chartered Accountants  
Statutory Auditor

St James Building  
79 Oxford Street  
Manchester  
M1 6HT

# CHRISTIAN PROPERTY UK LIMITED

## GROUP PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 30 APRIL 2017

	Notes	2017 £	2016 £
Turnover	3	28,228,868	22,776,793
Cost of sales		(24,473,200)	(19,945,844)
<b>Gross profit</b>		<b>3,755,668</b>	<b>2,830,949</b>
Administrative expenses		(2,853,552)	(2,064,357)
<b>Operating profit</b>	4	<b>902,116</b>	<b>766,592</b>
Interest receivable and similar income	8	1,663	1,284
Interest payable and similar expenses	9	(160,271)	(94,909)
<b>Profit before taxation</b>		<b>743,508</b>	<b>672,967</b>
Tax on profit	10	(137,788)	(152,530)
<b>Profit for the financial year</b>	23	<b>605,720</b>	<b>520,437</b>

Profit for the financial year is all attributable to the owners of the parent company.

# CHRISTIAN PROPERTY UK LIMITED

## GROUP PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30 APRIL 2017

	Notes	2017 £	2016 £
<b>Turnover</b>	<b>3</b>	28,228,868	22,776,793
Cost of sales		(24,473,200)	(19,945,844)
<b>Gross profit</b>		<u>3,755,668</u>	<u>2,830,949</u>
Administrative expenses		(2,853,552)	(2,064,357)
<b>Operating profit</b>	<b>4</b>	<u>902,116</u>	<u>766,592</u>
Interest receivable and similar income	<b>8</b>	1,663	1,284
Interest payable and similar expenses	<b>9</b>	(160,271)	(94,909)
<b>Profit before taxation</b>		<u>743,508</u>	<u>672,967</u>
Tax on profit	<b>10</b>	(137,788)	(152,530)
<b>Profit for the financial year</b>	<b>23</b>	<u><u>605,720</u></u>	<u><u>520,437</u></u>

Profit for the financial year is all attributable to the owners of the parent company.

# CHRISTIAN PROPERTY UK LIMITED

## GROUP STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 APRIL 2017

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	2017 £	2016 £
Profit for the year	605,720	520,437
Other comprehensive income	-	-
Total comprehensive income for the year	<u>605,720</u>	<u>520,437</u>

Total comprehensive income for the year is all attributable to the owners of the parent company.

# CHRISTIAN PROPERTY UK LIMITED

## GROUP BALANCE SHEET

AS AT 30 APRIL 2017

	Notes	2017 £	£	2016 £	£
<b>Fixed assets</b>					
Tangible assets	11		269,187		122,951
Investment properties	12		1,321,890		-
Investments	13		2		-
			<u>1,591,079</u>		<u>122,951</u>
<b>Current assets</b>					
Stocks	16	6,009,612		3,886,807	
Debtors	17	255,928		232,702	
Cash at bank and in hand		1,264,297		1,113,577	
		<u>7,529,837</u>		<u>5,233,086</u>	
<b>Creditors: amounts falling due within one year</b>	18	(6,458,518)		(4,069,909)	
<b>Net current assets</b>			<u>1,071,319</u>		<u>1,163,177</u>
<b>Total assets less current liabilities</b>			<u>2,662,398</u>		<u>1,286,128</u>
<b>Creditors: amounts falling due after more than one year</b>	19		(730,000)		-
<b>Provisions for liabilities</b>	21		(45,548)		-
<b>Net assets</b>			<u><u>1,886,850</u></u>		<u><u>1,286,128</u></u>
<b>Capital and reserves</b>					
Called up share capital	22		2		-
Other reserves	23		100		100
Profit and loss reserves	23		1,886,748		1,286,028
<b>Total equity</b>			<u><u>1,886,850</u></u>		<u><u>1,286,128</u></u>

The financial statements were approved and signed by the director and authorised for issue on 8 February 2018

M Kay  
Director



# CHRISTIAN PROPERTY UK LIMITED

## COMPANY BALANCE SHEET

AS AT 30 APRIL 2017

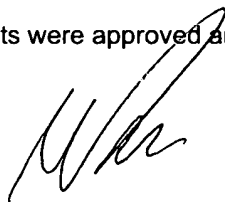
	Notes	2017 £	£	2016 £	£
<b>Fixed assets</b>					
Investment properties	12	1,321,890			-
Investments	13	2			-
		<u>1,321,892</u>			-
<b>Current assets</b>					
Cash at bank and in hand		865		-	
<b>Creditors: amounts falling due within one year</b>	18	(592,529)		-	
<b>Net current liabilities</b>			(591,664)		-
<b>Total assets less current liabilities</b>			<u>730,228</u>		-
<b>Creditors: amounts falling due after more than one year</b>	19		(730,000)		-
<b>Net assets</b>			<u>228</u>		-
<b>Capital and reserves</b>					
Called up share capital	22		2		-
Profit and loss reserves	23		226		-
<b>Total equity</b>			<u>228</u>		-

As permitted by s408 Companies Act 2006, the company has not presented its own profit and loss account and related notes. The company's profit for the year was £226 (2016 - £0 profit).

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and signed by the director and authorised for issue on 8 February 2018

M Kay  
Director



Company Registration No. 10415955

# CHRISTIAN PROPERTY UK LIMITED

## GROUP STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 APRIL 2017

	Notes	Share capital £	Other reserves £	Profit and loss reserves £	Total £
<b>Balance at 1 May 2015</b>		-	100	760,591	760,691
<b>Year ended 30 April 2016:</b>					
Profit and total comprehensive income for the year		-	-	520,437	520,437
<b>Balance at 30 April 2016</b>		-	100	1,286,028	1,286,128
<b>Year ended 30 April 2017:</b>					
Profit and total comprehensive income for the year		-	-	605,720	605,720
Issue of share capital	<b>22</b>	2	-	-	2
Dividends		-	-	(5,000)	(5,000)
<b>Balance at 30 April 2017</b>		<b>2</b>	<b>100</b>	<b>1,886,748</b>	<b>1,886,850</b>

# CHRISTIAN PROPERTY UK LIMITED

## COMPANY STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 APRIL 2017

	Notes	Share capital £	Profit and loss reserves £	Total £
<b>Balance at 1 May 2015</b>		-	-	-
<b>Year ended 30 April 2016:</b>				
Profit and total comprehensive income for the year		-	-	-
<b>Balance at 30 April 2016</b>		-	-	-
<b>Year ended 30 April 2017:</b>				
Profit and total comprehensive income for the year		-	226	226
Issue of share capital	22	2	-	2
<b>Balance at 30 April 2017</b>		2	226	228



# CHRISTIAN PROPERTY UK LIMITED

## GROUP STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 APRIL 2017

	Notes	2017 £	£	2016 £	£
<b>Cash flows from operating activities</b>					
Cash generated from operations	27	1,127,236		1,282,781	
Interest paid		(160,271)		(94,909)	
Income taxes paid		(153,232)		(115,957)	
<b>Net cash inflow from operating activities</b>		<b>813,733</b>		<b>1,071,915</b>	
<b>Investing activities</b>					
Purchase of tangible fixed assets		(188,112)		(59,725)	
Purchase of investment property		(1,321,890)		-	
Interest received		1,663		1,284	
<b>Net cash used in investing activities</b>		<b>(1,508,339)</b>		<b>(58,441)</b>	
<b>Financing activities</b>					
Proceeds from issue of shares	2			-	
Proceeds of new bank loans		854,642		-	
Repayment of bank loans		(4,318)		-	
Dividends paid to equity shareholders		(5,000)		-	
<b>Net cash generated from/(used in) financing activities</b>		<b>845,326</b>		<b>-</b>	
<b>Net increase in cash and cash equivalents</b>		<b>150,720</b>		<b>1,013,474</b>	
Cash and cash equivalents at beginning of year		1,113,577		100,103	
<b>Cash and cash equivalents at end of year</b>		<b>1,264,297</b>		<b>1,113,577</b>	

# CHRISTIAN PROPERTY UK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

**FOR THE YEAR ENDED 30 APRIL 2017**

---

### **1 Accounting policies**

#### **Company information**

Christian Property UK Limited ("the company") is a private limited company domiciled and incorporated in England and Wales. The registered office is C/o UHY Hacker Young, St James Building, 79 Oxford Street, Manchester, M1 6HT.

The group consists of Christian Property UK Limited and all of its subsidiaries.

#### **1.1 Accounting convention**

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

These group and company financial statements for the year ended 30 April 2017 are the first financial statements of Christian Property UK Limited and the group prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The financial statements for the preceding period were prepared in accordance with previous UK GAAP. The date of transition to FRS 102 was 1 May 2015. The reported financial position and financial performance for the previous period are not affected by the transition to FRS 102.

#### **1.2 Basis of consolidation**

In the parent company financial statements, the business combination requires the assets and liabilities of the subsidiary undertaking to be consolidated at the amounts at which they stand in that undertaking's financial statements, subject to any adjustments authorised or required by the Act.

The results and cash flows of all the combining entities have been brought into the financial statements of the combined entity from the beginning of the financial year. The comparative information has been restated by including the total comprehensive income for all the combining entities for the previous reporting period and their statement of financial position for the previous reporting date, adjusted as necessary to achieve uniformity of accounting policies.

The difference, if any, between the nominal value of the shares issued plus the fair value of any other consideration given, and the nominal value of the shares received in exchange shall be shown as a movement on other reserves in the consolidated financial statements. Any existing balances on the share premium account or capital redemption reserve of the new subsidiary are brought in by being shown as a movement on other reserves. These movements are shown in the statement of changes in equity.

Investments in subsidiaries, joint ventures and associates are accounted for at cost less impairment.

# CHRISTIAN PROPERTY UK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 30 APRIL 2017

#### 1 Accounting policies

(Continued)

The consolidated financial statements incorporate those of Christian Property UK Limited and all of its subsidiaries (ie entities that the group controls through its power to govern the financial and operating policies so as to obtain economic benefits). Subsidiaries acquired during the year are consolidated using the merger method. Their results are incorporated from the date that control passes.

All financial statements are made up to 30 April 2017. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the group.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Car Time Motor Company Limited has been included in the group financial statements using the merger method of accounting. Accordingly, the group profit and loss account and statement of cash flows include the results and cash flows of Car Time Motor Company Limited for the year ended 30 April 2017 and prior year ended 30 April 2016. Car Time Motor Company Limited was acquired on 16 October 2016 for the purchase consideration of £nil.

#### 1.3 Going concern

At the time of approving the financial statements, the director has a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the director continues to adopt the going concern basis of accounting in preparing the financial statements.

#### 1.4 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

#### 1.5 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Leasehold improvements	25% reducing balance
Plant and equipment	20% reducing balance
Fixtures and fittings	25% reducing balance
Computers	25% reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the profit and loss account.

# CHRISTIAN PROPERTY UK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2017

### 1 Accounting policies

(Continued)

#### 1.6 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in the profit and loss account.

Where fair value cannot be achieved without undue cost or effort, investment property is accounted for as tangible fixed assets.

#### 1.7 Fixed asset investments

A subsidiary is an entity controlled by the group. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

#### 1.8 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

#### 1.9 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises vehicles, materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

#### 1.10 Cash at bank and in hand

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### 1.11 Financial instruments

The group has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the group's balance sheet when the group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

#### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

# CHRISTIAN PROPERTY UK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2017

### 1 Accounting policies

(Continued)

#### **Other financial assets**

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

#### **Classification of financial liabilities**

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 group after deducting all of its liabilities.

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

#### **1.12 Equity instruments**

Equity instruments issued by the group are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the group.

#### **1.13 Taxation**

The tax expense represents the sum of the tax currently payable and deferred tax.

##### **Current tax**

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

# CHRISTIAN PROPERTY UK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 30 APRIL 2017**

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### **1 Accounting policies**

**(Continued)**

#### ***Deferred tax***

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset if, and only if, there is a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

#### **1.14 Employee benefits**

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### **1.15 Leases**

Rentals payable under operating leases, including any lease incentives received, are charged to income on a 'straight line' basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

# CHRISTIAN PROPERTY UK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 30 APRIL 2017

#### 2 Judgements and key sources of estimation uncertainty

In the application of the group's accounting policies, the director is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

##### **Critical judgements**

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

##### **Used vehicle stock**

Used vehicle stock is a depreciating stock item and devalues monthly, making the estimated stock value uncertain. The carrying value of used vehicle stock at the year end of the period was £6,009,612 (2016 - £3,886,807).

Consideration has been given by the director to the level of provision against vehicle stocks. In determining the provision required the director has used guidance from independent valuation tools and his knowledge of the industry.

##### **Investment property**

Investment property fair value as at 30 April 2017 of £1,321,890 has been determined as equal to the cost of acquisition during the year. In determining the fair value of investment property the director has used guidance from independent valuation tools and his knowledge of the industry.

#### 3 Turnover and other revenue

	2017 £	2016 £
<b>Turnover analysed by class of business</b>		
Used Car and light motor sales	28,228,868	22,776,793

	2017 £	2016 £
<b>Other significant revenue</b>		
Interest income	1,663	1,284

#### 4 Operating profit

	2017 £	2016 £
Operating profit for the year is stated after charging:		
Depreciation of owned tangible fixed assets	41,876	27,101
Cost of stocks recognised as an expense	24,473,200	19,945,844
Operating lease charges	251,228	112,651

# CHRISTIAN PROPERTY UK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2017

### 5 Auditor's remuneration

	2017 £	2016 £
Fees payable to the company's auditor and associates:		
<b>For audit services</b>		
Audit of the financial statements of the group and company	3,000	-
Audit of the financial statements of the company's subsidiaries	6,600	-
	<u>9,600</u>	<u>-</u>

### 6 Employees

The average monthly number of persons (including directors) employed by the group and company during the year was:

	Group 2017 Number	2016 Number	Company 2017 Number	2016 Number
Administration and sales	44	34	-	-
Directors	2	1	-	-
	<u>46</u>	<u>35</u>	<u>-</u>	<u>-</u>

Their aggregate remuneration comprised:

	Group 2017 £	2016 £	Company 2017 £	2016 £
Wages and salaries	1,293,402	985,335	-	-
Social security costs	124,471	94,895	-	-
	<u>1,417,873</u>	<u>1,080,230</u>	<u>-</u>	<u>-</u>

### 7 Director's remuneration

	2017 £	2016 £
Remuneration for qualifying services	<u>20,833</u>	<u>14,134</u>

### 8 Interest receivable and similar income

	2017 £	2016 £
<b>Interest income</b>		
Interest on bank deposits	<u>1,663</u>	<u>1,284</u>



# CHRISTIAN PROPERTY UK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2017

### 8 Interest receivable and similar income (Continued)

Investment income includes the following:

Interest on financial assets not measured at fair value through profit or loss	1,663	1,284
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### 9 Interest payable and similar expenses

	2017 £	2016 £
<b>Interest on financial liabilities measured at amortised cost:</b>		
Interest on bank overdrafts and loans	160,271	94,716
<b>Other finance costs:</b>		
Other interest	-	193
<b>Total finance costs</b>	<b>160,271</b>	<b>94,909</b>

### 10 Taxation

	2017 £	2016 £
<b>Current tax</b>		
UK corporation tax on profits for the current period	119,883	152,530
Adjustments in respect of prior periods	(27,643)	-
<b>Total current tax</b>	<b>92,240</b>	<b>152,530</b>
<b>Deferred tax</b>		
Origination and reversal of timing differences	45,548	-
<b>Total tax charge for the year</b>	<b>137,788</b>	<b>152,530</b>

# CHRISTIAN PROPERTY UK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 30 APRIL 2017

#### 10 Taxation

(Continued)

The actual charge for the year can be reconciled to the expected charge based on the profit or loss and the standard rate of tax as follows:

	2017 £	2016 £
Profit before taxation	743,508	672,967
Expected tax charge based on the standard rate of corporation tax in the UK of 19.95% (2016: 20.00%)	148,330	134,593
Tax effect of expenses that are not deductible in determining taxable profit	853	4,472
Under/(over) provided in prior years	(27,643)	-
Deferred tax adjustments in respect of prior years	21,643	13,465
Effect of change in tax rate on deferred taxation	(5,395)	-
Taxation charge for the year	137,788	152,530

#### 11 Tangible fixed assets

Group	Leasehold improvements £	Plant and equipment £	Fixtures and fittings £	Computers £	Total £
<b>Cost</b>					
At 1 May 2016	-	145,735	17,312	17,815	180,862
Additions	43,395	61,328	79,358	4,031	188,112
At 30 April 2017	43,395	207,063	96,670	21,846	368,974
<b>Depreciation and impairment</b>					
At 1 May 2016	-	45,575	6,845	5,491	57,911
Depreciation charged in the year	4,684	21,765	12,234	3,193	41,876
At 30 April 2017	4,684	67,340	19,079	8,684	99,787
<b>Carrying amount</b>					
At 30 April 2017	38,711	139,723	77,591	13,162	269,187
At 30 April 2016	-	100,160	10,467	12,324	122,951

The company had no tangible fixed assets at 30 April 2017 or 30 April 2016.

# CHRISTIAN PROPERTY UK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 30 APRIL 2017

#### 12 Investment property

	Group 2017 £	Company 2017 £
<b>Fair value</b>		
At 1 May 2016	-	-
Additions through external acquisition	1,321,890	1,321,890
At 30 April 2017	<u>1,321,890</u>	<u>1,321,890</u>

The fair value of the investment property has been arrived at on the basis of a review by the director. The director considers that on account of the investment property's acquisition during the financial reporting period the cost is not deemed to be materially different from its fair value as at 30 April 2017.

#### 13 Fixed asset investments

	Notes	Group 2017 £	2016 £	Company 2017 £	2016 £
Investments in subsidiaries	14	<u>2</u>	<u>-</u>	<u>2</u>	<u>-</u>

#### Movements in fixed asset investments

Group	Shares in group undertakings £
<b>Cost or valuation</b>	
At 1 May 2016	-
Additions	2
At 30 April 2017	<u>2</u>
<b>Carrying amount</b>	
At 30 April 2017	<u>2</u>
At 30 April 2016	<u>-</u>

# CHRISTIAN PROPERTY UK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2017

### 13 Fixed asset investments (Continued)

#### Movements in fixed asset investments Company

	Shares in group undertakings £
<b>Cost or valuation</b>	
At 1 May 2016	-
Additions	2
At 30 April 2017	2
<b>Carrying amount</b>	
At 30 April 2017	2
At 30 April 2016	-

### 14 Subsidiaries

Details of the company's subsidiaries at 30 April 2017 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held Direct Indirect
Car Time Motor Company UK Limited	England and Wales	Sale of used cars and light motor vehicles	Ordinary	100.00

The aggregate capital and reserves and the profit for the year of the subsidiaries noted above was as follows:

Name of undertaking	Profit/(Loss) £	Capital and Reserves £
Car Time Motor Company UK Limited	606,829	1,887,957

The investments in subsidiaries are all stated at cost.

### 15 Financial instruments

	Group 2017 £	2016 £	Company 2017 £	2016 £
<b>Carrying amount of financial assets</b>				
Debt instruments measured at amortised cost	228,927	166,314	-	-
<b>Carrying amount of financial liabilities</b>				
Measured at amortised cost	7,064,628	3,835,825	1,320,504	-

# CHRISTIAN PROPERTY UK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2017

### 16 Stocks

	Group 2017 £	2016 £	Company 2017 £	2016 £
Work in progress	1,555	1,500	-	-
Finished goods and goods for resale	6,008,057	3,885,307	-	-
	<u>6,009,612</u>	<u>3,886,807</u>	<u>-</u>	<u>-</u>

### 17 Debtors

	Group 2017 £	2016 £	Company 2017 £	2016 £
<b>Amounts falling due within one year:</b>				
Trade debtors	228,927	149,647	-	-
Other debtors	24,813	16,667	-	-
Prepayments and accrued income	2,188	66,388	-	-
	<u>255,928</u>	<u>232,702</u>	<u>-</u>	<u>-</u>

### 18 Creditors: amounts falling due within one year

	Notes	Group 2017 £	2016 £	Company 2017 £	2016 £
Bank loans and overdrafts	20	120,324	-	120,324	-
Trade creditors		5,595,633	3,166,637	-	-
Amounts due to group undertakings		-	-	467,181	-
Corporation tax payable		91,538	152,530	1,400	-
Other taxation and social security		32,352	81,554	625	-
Other creditors		576,573	647,788	-	-
Accruals and deferred income		42,098	21,400	2,999	-
		<u>6,458,518</u>	<u>4,069,909</u>	<u>592,529</u>	<u>-</u>

Included within trade creditors are vehicle stocking finance creditors totalling £3,923,618 (2016: £2,374,514). Vehicle stocking finance creditors are secured against the vehicles concerned.

# CHRISTIAN PROPERTY UK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2017

### 19 Creditors: amounts falling due after more than one year

	Notes	Group 2017 £	2016 £	Company 2017 £	2016 £
Bank loans and overdrafts	20	730,000	-	730,000	-

Amounts included above which fall due after five years are as follows:

Payable by instalments	250,523	-	250,523	-
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### 20 Loans and overdrafts

	Group 2017 £	2016 £	Company 2017 £	2016 £
Bank loans	850,324	-	850,324	-
Payable within one year	120,324	-	120,324	-
Payable after one year	730,000	-	730,000	-

Amounts included above which fall due after five years:

Payable by instalments	250,523	-	250,523	-
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The long term loan is secured by fixed and floating charge over the investment property held by the company.

### 21 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the group and company, and movements thereon:

Group	Liabilities 2017 £	Liabilities 2016 £
Accelerated capital allowances	45,165	-
Short term timing difference	383	-
	45,548	-

# CHRISTIAN PROPERTY UK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2017

### 21 Deferred taxation

(Continued)

The company has no deferred tax assets or liabilities.

	Group 2017 £	Company 2017 £
<b>Movements in the year:</b>		
Liability at 1 May 2016	-	-
Charge to profit or loss	45,548	-
Liability at 30 April 2017	45,548	-

### 22 Share capital

	Group and company 2017 £	2016 £
<b>Ordinary share capital</b>		
Issued and fully paid		
2 Ordinary shares of £1 each	2	-

### 23 Reserves

#### Profit and loss reserves

The profit and loss account includes all realised current and prior period retained profits and losses.

### 24 Operating lease commitments

#### Lessee

At the reporting end date the group had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	Group 2017 £	2016 £	Company 2017 £	2016 £
Within one year	276,960	25,459	-	-
Between two and five years	1,088,000	66,480	-	-
In over five years	940,000	32,000	-	-
	2,304,960	123,939	-	-

# CHRISTIAN PROPERTY UK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 30 APRIL 2017**

### 25 Directors' transactions

During the year Car Time Motor Company UK Limited paid rent totalling £90,000 (2016 - £83,000) in respect of properties owned by the director.

Other creditors include director's loans of £299,804 (2016: £456,693) which are unsecured.

### 26 Controlling party

The company is controlled by M Kay, the sole director, by virtue of his majority shareholding in the company.

### 27 Cash generated from group operations

	2017 £	2016 £
Profit for the year after tax	605,720	520,437
Adjustments for:		
Taxation charged	137,788	152,530
Finance costs	160,271	94,909
Investment income	(1,663)	(1,284)
Depreciation and impairment of tangible fixed assets	41,876	27,101
Movements in working capital:		
(Increase) in stocks	(2,122,805)	(1,431,421)
Decrease/(increase) in debtors	23,228	(106,428)
Increase in creditors	2,282,821	2,026,937
<b>Cash generated from operations</b>	<b>1,127,236</b>	<b>1,282,781</b>