

Financial Statements Charles Street Buildings (U.K.) Limited

For the year ended 30 November 2013

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COMPANIES HOUSE

Registered number: 01031366

Company Information

Registered number 01031366

Registered office 1 Westmoreland Avenue
Thurmaston
Leicester
LE4 8PH

Directors Mr H P Murphy
Mrs M A Murphy
Mr P H Murphy
Mr J J Murphy
Mrs M A Middleton
Mrs W M Linnett

Company secretary Mr R H Smith FCA

Solicitors Crane & Walton
113, 115 & 117 London Road
Leicester
LE2 0RG

Independent auditor Grant Thornton UK LLP
Chartered Accountants & Statutory Auditor
Regent House
80 Regent Road
Leicester
LE1 7NH

Contents

	Page
Directors' report	1 - 2
Independent auditor's report	3 - 4
Profit and loss account	5
Statement of total recognised gains and losses	6
Balance sheet	7
Notes to the financial statements	8 - 14

Directors' report

For the year ended 30 November 2013

The directors present their report and the financial statements for the year ended 30 November 2013.

Directors

The directors who served during the year were:

Mr H P Murphy
Mrs M A Murphy
Mr P H Murphy
Mr J J Murphy
Mrs M A Middleton
Mrs W M Linnett

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 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.

Disclosure 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 relevant audit information and to establish that the company's auditor is aware of that information.

Directors' report

For the year ended 30 November 2013

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 8 April 2014 and signed on its behalf.



Mr R H Smith FCA
Secretary

Independent auditor's report to the members of Charles Street Buildings (U.K.) Limited

We have audited the financial statements of Charles Street Buildings (U.K.) Limited for the year ended 30 November 2013, 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 United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at 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 November 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.



Independent auditor's report to the members of Charles Street Buildings (U.K.) 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 take advantage of the small companies' exemption from the requirement to prepare a strategic report.

A handwritten signature in black ink, appearing to read "John Bowler".

John Bowler (Senior statutory auditor)
for and on behalf of
Grant Thornton UK LLP
Chartered Accountants
Statutory Auditor
EAST MIDLANDS

8 April 2014

Profit and loss account

For the year ended 30 November 2013

	Note	2013 £	2012 £
Rental income	2	2,181,503	2,181,503
Other operating charges		<u>(24,194)</u>	<u>(24,173)</u>
Operating profit	3	2,157,309	2,157,330
Income from shares in group undertakings		250,000	300,000
Interest receivable and similar income		<u>6</u>	<u>8</u>
Profit on ordinary activities before taxation		2,407,315	2,457,338
Tax on profit on ordinary activities	5	<u>(361,879)</u>	<u>(441,080)</u>
Profit for the financial year	12	<u><u>2,045,436</u></u>	<u><u>2,016,258</u></u>

All amounts relate to continuing operations.

The notes on pages 8 to 14 form part of these financial statements.

Statement of total recognised gains and losses

For the year ended 30 November 2013

	2013	2012
	£	£
Profit for the financial year	2,045,436	2,016,258
Unrealised gain on revaluation of freehold investment property	-	2,043,320
	<hr/>	<hr/>
Total recognised gains and losses relating to the year	2,045,436	4,059,578
	<hr/> <hr/>	<hr/> <hr/>

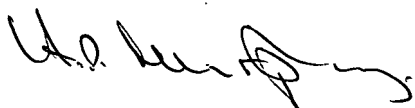
The notes on pages 8 to 14 form part of these financial statements.

Balance sheet

As at 30 November 2013

	Note	£	2013 £	£	2012 £
Fixed assets					
Investment property	6		39,561,620		39,561,620
Investments	7		17,522,984		16,523,084
			<u>57,084,604</u>		<u>56,084,704</u>
Current assets					
Debtors	8	2,145,250		2,432,453	
Creditors: amounts falling due within one year	9	<u>(478,584)</u>		<u>(449,217)</u>	
Net current assets			<u>1,666,666</u>		<u>1,983,236</u>
Total assets less current liabilities			<u>58,751,270</u>		<u>58,067,940</u>
Provisions for liabilities					
Deferred tax	10		<u>(941,303)</u>		<u>(1,053,409)</u>
Net assets			<u><u>57,809,967</u></u>		<u><u>57,014,531</u></u>
Capital and reserves					
Called up share capital	11		1,000		1,000
Revaluation reserve	12		4,270,045		4,270,045
Profit and loss account	12		<u>53,538,922</u>		<u>52,743,486</u>
Shareholders' funds	13		<u><u>57,809,967</u></u>		<u><u>57,014,531</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 8 April 2014.



Mr H P Murphy
 Director

The notes on pages 8 to 14 form part of these financial statements.

Notes to the financial statements

For the year ended 30 November 2013

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 applicable accounting standards.

The company is the parent undertaking of a small group and as such is not required by the Companies Act 2006 to prepare group accounts. These financial statements therefore present information about the company as an individual undertaking and not about its group.

1.2 Cash flow

The company, being a subsidiary undertaking where 90% or more of the voting rights are controlled within the group whose consolidated financial statements are publicly available, is exempt from the requirement to draw up a cash flow statement in accordance with FRS 1.

1.3 Rental income

Rental income comprises rent receivable from freehold investment property.

1.4 Investments

Investments are included at cost.

1.5 Investment property

Investment property is included in the Balance sheet at its open market value in accordance with Statement of Standard Accounting Practice No.19 and is not depreciated. This treatment is contrary to the Companies Act 2006 which states that fixed assets should be depreciated but is, in the opinion of the directors, necessary in order to give a true and fair view of the financial position of the company.

The surplus or deficit arising from the annual revaluation is transferred to the 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.

Notes to the financial statements

For the year ended 30 November 2013

1. Accounting policies (continued)

1.6 Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

Deferred tax is not provided on timing differences arising from the revaluation of fixed assets in the financial statements.

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are not discounted.

2. Rental income

Rental income arises wholly in the United Kingdom.

3. Operating profit

The operating profit is stated after charging:

	2013	2012
	£	£
Auditor's remuneration	2,300	2,300

4. Staff costs

The average monthly number of employees, including the directors, during the year was as follows:

	2013	2012
	No.	No.
	6	6

No salaries or wages have been paid to employees, including the directors, during the year.

Notes to the financial statements

For the year ended 30 November 2013

5. Taxation

	2013 £	2012 £
Analysis of tax charge in the year		
Current tax		
UK corporation tax charge on profit for the year	471,025	492,356
Adjustments in respect of prior periods	2,960	-
Total current tax	<u>473,985</u>	<u>492,356</u>
Deferred tax		
Origination and reversal of timing differences	25,295	37,099
Effect of decreased tax rate on opening liability	(137,401)	(88,375)
Total deferred tax (see note 10)	<u>(112,106)</u>	<u>(51,276)</u>
Tax on profit on ordinary activities	<u>361,879</u>	<u>441,080</u>

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2012 - lower than) the standard rate of corporation tax in the UK of 23.33% (2012 - 24.67%). The differences are explained below:

	2013 £	2012 £
Profit on ordinary activities before tax	<u>2,407,315</u>	<u>2,457,338</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 23.33% (2012 - 24.67%)	561,663	606,143
Effects of:		
Capital allowances for year in excess of depreciation	(25,295)	(37,099)
Adjustments to tax charge in respect of prior periods	2,960	-
Short term timing difference leading to an increase (decrease) in taxation	(2,800)	-
Income not taxable	(58,329)	(74,000)
Difference in corporation and deferred tax rates	(4,214)	(2,688)
Current tax charge for the year	<u>473,985</u>	<u>492,356</u>

Factors that may affect future tax charges

No provision has been made for deferred tax on gains recognised on revaluing properties to market value. Such tax would only become payable if the properties were sold. There is no intention to sell any of the properties as these are held as long term investments. The maximum amount unprovided at 30 November 2013 is £985,841.

Notes to the financial statements

For the year ended 30 November 2013

6. Investment property

	Freehold investment property £
Valuation	
At 1 December 2012 and 30 November 2013	<u><u>39,561,620</u></u>

Investment property is stated at directors' valuation, on the basis of open market value as at 30 November 2013. The valuation is guided by independent advice from a firm of Chartered Surveyors.

If the above assets had not been revalued, they would have been included on the historical cost basis at cost and net book value at 30 November 2013 of £35,291,575 (2012: £35,291,575).

7. Fixed asset investments

	Investments in subsidiary companies £
Cost	
At 1 December 2012	16,523,084
Additions	999,900
At 30 November 2013	<u><u>17,522,984</u></u>
Net book value	
At 30 November 2013	<u><u>17,522,984</u></u>
At 30 November 2012	<u><u>16,523,084</u></u>

During the year the company acquired a further 999,900 ordinary shares of £1 each in Feature Construction Limited, a fellow subsidiary.

Notes to the financial statements

For the year ended 30 November 2013

7. Fixed asset investments (continued)

Subsidiary undertakings

The following are subsidiary undertakings of the company:

Name	Class of shares	Holding
Charles Street Buildings (Investments) Limited	Ordinary	100%
Dinglen Properties Limited	Ordinary	100%
Feature Construction Limited	Ordinary	100%
Feature Investments Limited	Ordinary	100%
Haramead (Unlimited)	Ordinary	100%
Hillfield Securities Limited	Ordinary	100%
Hillfield Securities Limited	Preference	100%
Davenport Developments Limited	Ordinary	100%

The above companies are all investment companies with the exception of Feature Construction Limited whose activities are building and plant hire and property dealing.

Group accounts have not been prepared because this company is itself the wholly owned subsidiary undertaking of another company incorporated in the United Kingdom.

8. Debtors

	2013	2012
	£	£
Amounts owed by group undertakings	2,145,250	2,432,453

The amounts owed by group undertakings include an amount owed by the parent undertaking of £1,694,725 (2012: £1,981,928), being the company's memorandum balance included in Charles Street Buildings (Leicester) Limited Group Account maintained with Barclays Bank Plc at Leicester. The memorandum account balance does not constitute a balance in account between the company and the bank.

9. Creditors:

Amounts falling due within one year

	2013	2012
	£	£
Trade creditors	91,036	40,339
Corporation tax	223,525	244,856
Other taxation and social security	18,279	18,280
Other creditors	2,300	2,300
Accruals and deferred income	143,444	143,442
	<u>478,584</u>	<u>449,217</u>

Notes to the financial statements

For the year ended 30 November 2013

10. Deferred taxation

	2013 £	2012 £
At beginning of year	1,053,409	1,104,685
Movement during year	(112,106)	(51,276)
At end of year	<u>941,303</u>	<u>1,053,409</u>

The provision for deferred taxation is made up as follows:

	2013 £	2012 £
Excess of taxation allowances over depreciation on fixed assets	<u>941,303</u>	<u>1,053,409</u>

The company has unrelieved capital losses not adjusted through the deferred tax account of £nil (2012: £88,644).

11. Share capital

	2013 £	2012 £
Allotted, called up and fully paid 1,000 Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>

12. Reserves

	Revaluation reserve £	Profit and loss account £
At 1 December 2012	4,270,045	52,743,486
Profit for the financial year	-	2,045,436
Dividends: Equity capital	-	(1,250,000)
At 30 November 2013	<u>4,270,045</u>	<u>53,538,922</u>

Notes to the financial statements

For the year ended 30 November 2013

13. Reconciliation of movement in shareholders' funds

	2013	2012
	£	£
Opening shareholders' funds	57,014,531	54,254,953
Profit for the financial year	2,045,436	2,016,258
Dividends (Note 14)	(1,250,000)	(1,300,000)
Other recognised gains and losses during the year	-	2,043,320
	<u>57,809,967</u>	<u>57,014,531</u>

14. Dividends

	2013	2012
	£	£
Dividends paid on equity capital	<u>1,250,000</u>	<u>1,300,000</u>

15. Contingent liabilities

Group bank account

The company has, together with other group undertakings, given an unlimited guarantee in respect of the Charles Street Buildings (Leicester) Limited Group Account maintained with Barclays Bank Plc at Leicester. The balance of this account as per the bank statement at 30 November 2013 was £4,561,533 in hand (2012: £549,951 in hand).

16. Related party transactions

As a wholly owned subsidiary of Charles Street Buildings (Leicester) Limited, the company is exempt from the requirements of FRS 8 to disclose transactions with other members of the group headed by Charles Street Buildings (Leicester) Limited.

17. Ultimate parent undertaking and controlling party

The ultimate parent undertaking of this company is Charles Street Buildings (Leicester) Limited, which leads the largest group of undertakings for which group accounts have been drawn up.

Charles Street Buildings (Leicester) Limited is the company's controlling related party under the definitions set out in FRS 8, by virtue of its shareholding in the company.