

Company Registration No. 03805606 (England and Wales)

STERLING CREDIT GUARANTEE COMPANY LIMITED
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017
PAGES FOR FILING WITH REGISTRAR

LB GROUP
Number One
Vicarage Lane
Stratford
London
England
E15 4HF

STERLING CREDIT GUARANTEE COMPANY LIMITED

CONTENTS

	Page
Balance sheet	1
Notes to the financial statements	2 - 5

STERLING CREDIT GUARANTEE COMPANY LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2017

	Notes	2017 £	£	2016 £	£
Fixed assets					
Investments	2		11		11
Current assets					
Debtors	3	7,222,861		7,218,861	
Creditors: amounts falling due within one year	4	<u>(7,311,000)</u>		<u>(7,311,000)</u>	
Net current liabilities			<u>(88,139)</u>		<u>(92,139)</u>
Total assets less current liabilities			<u>(88,128)</u>		<u>(92,128)</u>
Capital and reserves					
Called up share capital	5		50,000		50,000
Profit and loss reserves			<u>(138,128)</u>		<u>(142,128)</u>
Total equity			<u>(88,128)</u>		<u>(92,128)</u>

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

For the financial year ended 31 December 2017 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

The financial statements were approved by the board of directors and authorised for issue on 27 September 2018 and are signed on its behalf by:

Mr C Emson
Director

Company Registration No. 03805606

STERLING CREDIT GUARANTEE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

1 Accounting policies

Company information

Sterling Credit Guarantee Company Limited is a private company limited by shares incorporated in England and Wales. The registered office is Number One, Vicarage Lane, Stratford, London, England, E15 4HF.

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

The company made a profit of £4,000 (2016: £Nil) during the year ended 31 December 2017 but at that date its liabilities exceeded its assets by £88,128 (2016: £92,128). The company is, therefore, dependent on the continued financial support of the holding company.

The financial statements have been prepared on a going concern basis which assumes that the company will continue in operational existence for the foreseeable future. The validity of this assumption depends upon the continued financial support, to which the holding company is not legally committed but which the directors believe will be provided by the holding company.

On this basis, the directors believe it is appropriate for the financial statements to be prepared on a going concern basis.

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.

1.2 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.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that it is probable will be recovered.

1.3 Fixed asset investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

STERLING CREDIT GUARANTEE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

1 Accounting policies

(Continued)

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

An associate is an entity, being neither a subsidiary nor a joint venture, in which the company holds a long-term interest and where the company has significant influence. The company considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

Entities in which the company has a long term interest and shares control under a contractual arrangement are classified as jointly controlled entities.

1.4 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.

1.5 Financial instruments

The company 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 company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with 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.

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 company after deducting all of its liabilities.

Basic financial 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.

STERLING CREDIT GUARANTEE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

1 Accounting policies (Continued)

1.6 Equity instruments

Equity instruments issued by the company 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 company.

1.7 Derivatives

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to fair value at each reporting end date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

A derivative with a positive fair value is recognised as a financial asset, whereas a derivative with a negative fair value is recognised as a financial liability.

2 Fixed asset investments

	2017 £	2016 £
Investments	11	11

3 Debtors

	2017 £	2016 £
Amounts falling due within one year:		
Other debtors	7,222,861	7,218,861

4 Creditors: amounts falling due within one year

	Notes	2017 £	2016 £
Bank loans and overdrafts		7,080,875	7,080,875
Trade creditors		200,125	200,125
Other creditors		30,000	30,000
		7,311,000	7,311,000

5 Called up share capital

	2017 £	2016 £
Ordinary share capital Issued and fully paid 5,000,000 Ordinary Shares of 1p each	50,000	50,000
	50,000	50,000

6 Related party transactions

STERLING CREDIT GUARANTEE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

6 Related party transactions

(Continued)

C J Emson is a director or member of the following companies and partnerships:

Sterling Corporate Services Limited
The Sterling Credit Group Limited
Sterling Industrial Finance Limited
R F & P Limited
Robert Fraser & Partners LLP

As at 31 December 2017, the company owed Sterling Corporate Services Limited the sum of £200,125 (2016: £200,125) and this is included in trade creditors.

Other debtors include amounts owed to the following related parties:

The Sterling Credit Group Limited - £4,980 (2016: £4,980)
Sterling Industrial Finance Limited - £20,371 (2016: £20,371)
Robert Fraser & Partners LLP - £41,000 (2016: £41,000)
R F & P Limited - £4,000 (2016: £Nil)

7 Parent company

The immediate parent undertaking is Robert Fraser Asset Management Limited and its ultimate parent undertaking is Emson and Dudley Limited, Both companies are registered in England and Wales.

The accounts for the immediate and ultimate holding companies are available from 1 Vicarage Lane, Stratford, London E15 4HF and Companies House.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.