

Company Registration No. 03805606 (England and Wales)

STERLING CREDIT GUARANTEE COMPANY LIMITED
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022
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 2022

		2022		2021	
	Notes	£	£	£	£
Fixed assets					
Investments	4		11		11
Current assets					
Debtors	5	7,222,861		7,222,861	
Creditors: amounts falling due within one year	6	<u>(7,311,000)</u>		<u>(7,311,000)</u>	
Net current liabilities			<u>(88,139)</u>		<u>(88,139)</u>
Net liabilities			<u>(88,128)</u>		<u>(88,128)</u>
Capital and reserves					
Called up share capital	7		50,000		50,000
Profit and loss reserves			<u>(138,128)</u>		<u>(138,128)</u>
Total equity			<u>(88,128)</u>		<u>(88,128)</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 2022 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 18 September 2023 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 2022

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.

As at 31 December 2022, the company's liabilities exceeded its assets by £88,128 (2021: £88,128). 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 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.

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.

1.3 Cash and cash equivalents

Cash and cash equivalents 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.

STERLING CREDIT GUARANTEE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

1.4 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.

1.5 Equity instruments

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

1.6 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.

STERLING CREDIT GUARANTEE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

1.7 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.

1.8 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are 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.

3 Employees

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

	2022 Number	2021 Number
Total	3	3
	==	==

4 Fixed asset investments

	2022 £	2021 £
Shares in group undertakings and participating interests	11	11
	==	==

As at 31 December 2022, the company held 375 Ordinary Shares of £0.01 each in the following companies, all registered in England and Wales. This represents 3.75% of the issued share capital of each company.

Enigma II Marine Limited
Enigma Recoveries Limited
Shantaram Consolidation Limited

STERLING CREDIT GUARANTEE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

5 Debtors

	2022	2021
	£	£
Amounts falling due within one year:		
Other debtors	7,222,861	7,222,861

6 Creditors: amounts falling due within one year

	2022	2021
	£	£
Bank loans	7,080,875	7,080,875
Trade creditors	200,125	200,125
Other creditors	30,000	30,000
	7,311,000	7,311,000

7 Called up share capital

	2022	2021	2022	2021
	Number	Number	£	£
Ordinary share capital Issued and fully paid				
Ordinary Shares of 1p each	5,000,000	5,000,000	50,000	50,000

8 Related party transactions

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 2022, the company owed Sterling Corporate Services Limited the sum of £200,125 (2021: £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 (2021: £4,980)
Sterling Industrial Finance Limited - £20,371 (2021: £20,371)
Robert Fraser & Partners LLP - £41,000 (2021: £41,000)
R F & P Limited - £4,000 (2021: £4,000)

9 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.