

Registered number
05032892

CLS Finance Limited
Report and Accounts
31 December 2016

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COMPANIES HOUSE

CLS Finance Limited
Registered number:
Balance Sheet
as at 31 December 2016

05032892

	Notes	2016 £	2015 £
Current assets			
Stocks		-	333,731
Debtors	4	11,723,235	9,053,019
Cash at bank and in hand		1,434,487	167,616
		<u>13,157,722</u>	<u>9,554,366</u>
Creditors: amounts falling due within one year			
	5	(5,283,120)	(4,088,571)
Net current assets		<u>7,874,602</u>	<u>5,465,795</u>
Total assets less current liabilities			
		7,874,602	5,465,795
Creditors: amounts falling due after more than one year			
	6	(6,284,894)	(4,129,220)
Net assets		<u>1,589,708</u>	<u>1,336,575</u>
Capital and reserves			
Called up share capital		100,000	100,000
Profit and loss account		1,489,708	1,236,575
Shareholders' funds		<u>1,589,708</u>	<u>1,336,575</u>

The accounts have been prepared and delivered in accordance with the special provisions applicable to companies subject to the small companies regime. The profit and loss account has not been delivered to the Registrar of Companies.

S. P. Young

S P Young
 Director

Approved by the board on 12th April 2017.

CLS Finance Limited
Notes to the Accounts
for the year ended 31 December 2016

1 Accounting policies

Basis of preparation

The accounts have been prepared under the historical cost convention and in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland.

Turnover

Turnover is measured at the fair value of the consideration received or receivable, net of discounts and value added taxes. Turnover represents the value of interest and commissions earned from the provision of consumer finance. Turnover from interest earned is recognised using the effective interest rate method in accordance with the contract providing the consumer finance. Turnover from commissions received is recognised when the commission is due.

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first in first out method. The carrying amount of stock sold is recognised as an expense in the period in which the related revenue is recognised.

Debtors

Short term debtors are measured at transaction price (which is usually the invoice price), less any impairment losses for bad and doubtful debts. Loans and other financial assets are initially recognised at transaction price including any transaction costs and subsequently measured at amortised cost determined using the effective interest method, less any impairment losses for bad and doubtful debts.

Creditors

Short term creditors are measured at transaction price (which is usually the invoice price). Loans and other financial liabilities are initially recognised at transaction price net of any transaction costs and subsequently measured at amortised cost determined using the effective interest method.

Taxation

A current tax liability is recognised for the tax payable on the taxable profit of the current and past periods. A current tax asset is recognised in respect of a tax loss that can be carried back to recover tax paid in a previous period. Deferred tax is recognised in respect of all timing differences between the recognition of income and expenses in the financial statements and their inclusion in tax assessments. Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date and that are expected to apply to the reversal of the timing difference, except for revalued land and investment property where the tax rate that applies to the sale of the asset is used. Current and deferred tax assets and liabilities are not discounted.

Provisions

Provisions (ie liabilities of uncertain timing or amount) are recognised when there is an obligation at the reporting date as a result of a past event, it is probable that economic benefit will be transferred to settle the obligation and the amount of the obligation can be estimated reliably.

CLS Finance Limited
Notes to the Accounts
for the year ended 31 December 2016

Leased assets

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. All other leases are classified as operating leases. The rights of use and obligations under finance leases are initially recognised as assets and liabilities at amounts equal to the fair value of the leased assets or, if lower, the present value of the minimum lease payments. Minimum lease payments are apportioned between the finance charge and the reduction in the outstanding liability using the effective interest rate method. The finance charge is allocated to each period during the lease so as to produce a constant periodic rate of interest on the remaining balance of the liability. Leased assets are depreciated in accordance with the company's policy for tangible fixed assets. If there is no reasonable certainty that ownership will be obtained at the end of the lease term, the asset is depreciated over the lower of the lease term and its useful life. Operating lease payments are recognised as an expense on a straight line basis over the lease term.

Pensions

Contributions to defined contribution plans are expensed in the period to which they relate.

2 Audit information

These accounts have been audited by Innovating Enterprise Ltd, trading as Davies McLennon. Their audit report is unqualified and is signed on their behalf by Graham Davies BA FCA, Senior Statutory Auditor.

3 Employees

	2016	2015
	Number	Number
Average number of persons employed by the company	<u>20</u>	<u>9</u>

4 Debtors

	2016	2015
	£	£
Trade debtors	11,043,074	8,597,655
Other taxes and social security costs	3,970	-
Other debtors	<u>676,191</u>	<u>455,364</u>
	<u>11,723,235</u>	<u>9,053,019</u>
Amounts due after more than one year included above	<u>5,697,122</u>	<u>4,429,159</u>

5 Creditors: amounts falling due within one year

	2016	2015
	£	£
Bank loans and overdrafts	4,012,622	2,859,364
Trade creditors	766	2,852
Corporation tax	120,615	93,815
Other taxes and social security costs	8,917	4,709
Other creditors	<u>1,140,200</u>	<u>1,127,831</u>
	<u>5,283,120</u>	<u>4,088,571</u>

CLS Finance Limited
Notes to the Accounts
for the year ended 31 December 2016

6 Creditors: amounts falling due after one year	2016	2015
	£	£
Bank loans	5,410,713	3,483,624
Other creditors	874,181	645,596
	<u>6,284,894</u>	<u>4,129,220</u>

7 Loans	2016	2015
	£	£
Creditors include:		
Secured bank loans	<u>9,423,336</u>	<u>6,342,989</u>

Loans are secured by fixed and floating charges over the assets of the company.

8 Related party transactions	2016	2015
	£	£
CR Services Limited		
Related company under common ownership		
Amounts included in other debtors	641,988	455,318
Commissions paid to CR Services Limited	1,442,296	1,139,042
Received from CR Services Limited in respect of vehicle buy backs	1,940,431	1,579,876
CLSF SSAS Pension scheme		
Company pension scheme for benefit of directors		
Loan from pension scheme included in other creditors	675,451	419,632
Loan has no fixed repayment date		
Interest payable to Pension Scheme	68,398	49,883
Rent paid to Pension Scheme	48,000	48,000

9 Controlling party

The company is under the control of its directors.

10 Other information

CLS Finance Limited is a private company limited by shares and incorporated in England. Its registered office is:
Unit 2 Alexandra Street
Hyde
Cheshire
SK14 1DX