

You are a trainee chartered certified accountant dealing with the tax affairs of three unrelated limited companies, Aoede Ltd, Bianca Ltd and Charon Ltd.

Aoede Ltd

Aoede Ltd commenced trading on 1 April 2017. The company's results are:

	Year ended 31 March 2018 £	Year ended 31 March 2019 £
Trading profit/(loss)	(111,300)	67,800
Property business income/(loss)	(26,400)	23,400
Chargeable gains	5,800	16,200
Qualifying charitable donations	(6,000)	(6,600)

Aoede Ltd owns 100% of the ordinary share capital of Moon Ltd. Moon Ltd commenced trading on 1 April 2018 and for the year ended 31 March 2019 made a trading profit of £19,700.

Bianca Ltd

Bianca Ltd commenced trading on 1 April 2018. The company's tax adjusted trading profit based on the statement of profit or loss for the year ended 31 March 2019 is £256,300. This figure is before making any adjustments required for:

(1) Advertising expenditure of £5,800 incurred during January 2017 to promote Bianca Ltd's new business. This expenditure has not been deducted in calculating the profit of £256,300.

(2) Leasing costs of £9,300 which have been deducted in arriving at the profit of £256,300. The leasing costs relate to two motor cars which have been leased since 1 April 2018. The first motor car has CO₂ emissions of 105 grams per kilometre and is leased at an annual cost of £4,200. The second motor car has CO₂ emissions of 120 grams per kilometre and is leased at an annual cost of £5,100.

(3) Capital allowances.

On 1 April 2018, Bianca Ltd purchased four laptop computers at a discounted cost of £1,000 per laptop. The original cost of each laptop was £1,800, but Bianca Ltd was given a discount because they were damaged.

Bianca Ltd also purchased two second hand motor cars on 1 April 2018. Details are:

	Cost £	CO2 emission rate
Motor car [1]	12,400	35 grams per kilometre
Motor car [2]	13,900	120 grams per kilometre

Charon Ltd

During the year ended 31 March 2019, Charon Ltd disposed of two investment properties.

The first property was sold for £368,000 during January 2019. This property was purchased for £147,000 during October 1995, and was extended at a cost of £39,000 during June 2018.

The second property was sold for £167,000 during January 2019. This property was purchased for £172,000 during December 2017.

Indexation factors are:

October 1995 to December 2017	0.856
October 1995 to January 2019	0.896
December 2017 to January 2019	0.021
June 2018 to January 2019	0.012

(c) Calculate Charon Ltd's chargeable gains and capital losses, if any, for the year ended 31 March 2019. (4 marks)