

**COMMERCIAL UNION BUILDINGS COMPANY  
LIMITED**

**ABBREVIATED ACCOUNTS**

**YEAR ENDED**

**30TH JUNE 2005**



# **COMMERCIAL UNION BUILDINGS COMPANY LIMITED**

## **ABBREVIATED ACCOUNTS**

**YEAR ENDED 30TH JUNE 2005**

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# **COMMERCIAL UNION BUILDINGS COMPANY LIMITED**

## **INDEPENDENT AUDITORS' REPORT TO THE COMPANY**

### **PURSUANT TO SECTION 247B OF THE COMPANIES ACT 1985**

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We have examined the abbreviated accounts on pages 2 to 7, together with the financial statements of the company for the year ended 30th June 2005 prepared under Section 226 of the Companies Act 1985.

This report is made solely to the company, in accordance with Section 247B of the Companies Act 1985. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special auditors' 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 for our audit work, for this report, or for the opinions we have formed.

#### **Respective Responsibilities of the Directors and the Auditors**

The directors are responsible for preparing the abbreviated accounts in accordance with Section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with Sections 246(5) and (6) of the Act to the Registrar of Companies and whether the accounts to be delivered are properly prepared in accordance with those provisions and report our opinion to you.

#### **Basis of Opinion**

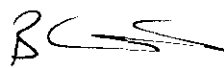
We have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the financial statements.

#### **Opinion**

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Sections 246(5) and (6) of the Act, and the abbreviated accounts on pages 2 to 7 are properly prepared in accordance with those provisions.

124/130 Seymour Place  
London  
W1H 1BG

26th September 2006

  
BRIGHT GRAHAME MURRAY  
Chartered Accountants  
& Registered Auditors

# COMMERCIAL UNION BUILDINGS COMPANY LIMITED

## ABBREVIATED BALANCE SHEET

30TH JUNE 2005

	Note	2005 £	2004 £
<b>Fixed Assets</b>	<b>2</b>		
Tangible assets		2,152,716	1,857,921
Investments		27	27
		<u>2,152,743</u>	<u>1,857,948</u>
<b>Current Assets</b>			
Debtors	3	669,571	691,000
Cash at bank and in hand		543,199	544,968
		<u>1,212,770</u>	<u>1,235,968</u>
<b>Creditors: Amounts falling due within one year</b>	<b>4</b>	<u>968,635</u>	<u>77,876</u>
<b>Net Current Assets</b>		<u>244,135</u>	<u>1,158,092</u>
<b>Total Assets Less Current Liabilities</b>		<u>2,396,878</u>	<u>3,016,040</u>
<b>Creditors: Amounts falling due after more than one year</b>	<b>5</b>	<u>12,937</u>	<u>911,748</u>
		<u>2,383,941</u>	<u>2,104,292</u>
<b>Capital and Reserves</b>			
Called-up equity share capital	6	4,428	4,428
Revaluation reserve		467,275	177,275
Other reserves		3,500	3,500
Profit and loss account		1,908,738	1,919,089
<b>Shareholders' Funds</b>		<u>2,383,941</u>	<u>2,104,292</u>

These abbreviated accounts have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

These abbreviated accounts were approved by the directors on 13/9/06 and are signed on their behalf by:

Director





The notes on pages 3 to 7 form part of these abbreviated accounts.

# COMMERCIAL UNION BUILDINGS COMPANY LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 30TH JUNE 2005

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### 1. Accounting Policies

#### **Basis of Accounting**

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of investment properties, and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

#### **Turnover**

Turnover represents amounts invoiced to third parties.

The rent, service charge receivable and pre-tax profit are derived from the company's principal activity which was carried out wholly in the United Kingdom

#### **Fixed Assets**

All fixed assets are initially recorded at cost.

#### **Depreciation**

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Leasehold Properties	- over the term of the lease
Motor Vehicles	- over 5 years
Furniture and Equipment	- over 5 years

#### **Investment Properties**

The company's investment properties are included in the Balance Sheet at their open market values. The surplus or deficit on annual revaluation of such properties is transferred to the revaluation reserve. Depreciation is not provided in respect of freehold investment properties. Leasehold investment properties are not amortised where the unexpired term is over twenty years.

This policy represents a departure from statutory accounting principles, which require depreciation to be provided on all fixed assets. The directors consider that this policy is necessary in order that the financial statements may give a true and fair view because current values and changes in current values are of prime importance rather than the calculation of systematic annual depreciation. Depreciation is only one of many factors reflected in the annual valuation and the amount which might otherwise have been shown cannot be separately identified or quantified.

#### **Operating Lease Agreements**

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

# COMMERCIAL UNION BUILDINGS COMPANY LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 30TH JUNE 2005

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### 1. Accounting Policies *(continued)*

#### **Deferred Taxation**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax, with the following exceptions:

Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold.

Deferred tax assets are recognised only to the extent that the directors consider that it is 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 is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

#### **Joint Arrangements**

The Company has certain contractual arrangements with other participants to engage in joint activities that do not create an entity carrying on a trade or business of its own. The Company includes its share of assets, liabilities and cashflows in such joint arrangements, measured in accordance with the terms of each arrangement, which is usually pro-rata to the Company's interest in the joint arrangement.

#### **Investments**

Fixed asset investments are included at cost less amounts written off. Profits or losses arising from disposals of fixed asset investments are treated as part of the result from ordinary activities.

# COMMERCIAL UNION BUILDINGS COMPANY LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 30TH JUNE 2005

### 2. Fixed Assets

	<b>Tangible Assets £</b>	<b>Investments £</b>	<b>Total £</b>
<b>Cost or Valuation</b>			
At 1st July 2004	1,956,312	27	1,956,339
Additions	24,076	—	24,076
Revaluation	290,000	—	290,000
<b>At 30th June 2005</b>	<b><u>2,270,388</u></b>	<b><u>27</u></b>	<b><u>2,270,415</u></b>
<b>Depreciation</b>			
At 1st July 2004	98,391	—	98,391
Charge for year	19,281	—	19,281
<b>At 30th June 2005</b>	<b><u>117,672</u></b>	<b><u>—</u></b>	<b><u>117,672</u></b>
<b>Net Book Value</b>			
<b>At 30th June 2005</b>	<b><u>2,152,716</u></b>	<b><u>27</u></b>	<b><u>2,152,743</u></b>
At 30th June 2004	<u>1,857,921</u>	<u>27</u>	<u>1,857,948</u>

Freehold investment properties owned by the company have been valued at 30th June 2005 by the directors, based on professional advice, using an open market value for existing use basis at £1,880,001. The historical cost of these properties was £1,412,726 (2004: £1,402,726).

# COMMERCIAL UNION BUILDINGS COMPANY LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 30TH JUNE 2005

### 2. Fixed Assets *(continued)*

Included within the investments at a cost of £Nil is an investment listed on a recognised stock exchange with a market value of £3,956 (2004: £3,640).

The company holds more than 20% of the issued share capital of the companies listed below,

	Country of incorporation	Share Holding	Proportion Held	Nature of business
<b>Subsidiary undertakings</b>				
Name				
Aviawise Limited	England	Ordinary Shares	25%	Property Investment
Lyleworth Limited	England	Ordinary Shares	50%	Property Investment
Dalepass Limited	England	Ordinary Shares	50%	Property Investment

2005

£

#### Aggregate capital and reserves

Name

Aviawise Limited	1,501,544
Lyleworth Limited	638,577
Dalepass Limited	29,252

#### Profit/(loss) for the period

Name

Aviawise Limited	106,063
Lyleworth Limited	39,996
Dalepass Limited	10,273

The accounts of Aviawise Limited, Lyleworth Limited and Dalepass Limited are in respect of the year end 30 June 2005.

The directors consider that these fixed asset investments are not subsidiary undertakings in respect of the year ended 30th June 2005.

### 3. Debtors

Debtors include amounts of £603,917 (2004 - £622,092) falling due after more than one year.

### 4. Creditors: Amounts falling due within one year

The following liabilities disclosed under creditors falling due within one year are secured by the company:

	2005 £	2004 £
Bank loans and overdrafts	<u>900,000</u>	<u>-</u>



# COMMERCIAL UNION BUILDINGS COMPANY LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 30TH JUNE 2005

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### 5. Creditors: Amounts falling due after more than one year

The following liabilities disclosed under creditors falling due after more than one year are secured by the company:

	2005	2004
	£	£
Bank loans and overdrafts	<u>-</u>	<u>900,000</u>

### 6. Share Capital

#### Authorised share capital:

	2005	2004
	£	£
2,000 Ordinary shares of £10 each	<u>20,000</u>	<u>20,000</u>

#### Allotted and called up:

	2005		2004	
	No	£	No	£
Ordinary shares - £5.75 paid of £10 each	<u>770</u>	<u>4,428</u>	<u>770</u>	<u>4,428</u>