

COMPANIES HOUSE

COMMERCIAL UNION BUILDINGS COMPANY LIMITED

ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 30TH JUNE 1997



**AUDITORS' REPORT TO COMMERCIAL UNION BUILDINGS COMPANY
LIMITED
UNDER SECTION 247B OF THE COMPANIES ACT 1985**

We have examined the abbreviated accounts on pages 3 to 6 together with the financial statements of the company for the year ended 30th June 1997 prepared under section 226 of the Companies Act 1985 .

Respective Responsibilities of Directors and Auditors

The directors are responsible for preparing the abbreviated accounts in accordance with section 246A 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 section 246A(3) of the Act to the registrar of companies and whether the accounts to be delivered are properly prepared in accordance with those provisions and to report our opinion to you.

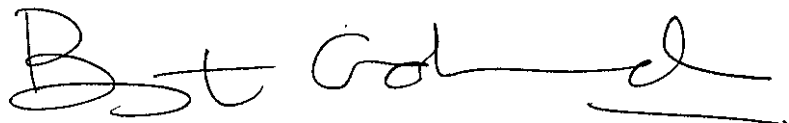
Basis of Opinion

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 section 246A(3) of the Companies Act 1985, and the abbreviated accounts on pages 2 to 5 are properly prepared in accordance with those provisions.

Bright Grahame Murray
Chartered Accountants
and Registered Auditors
124-130 Seymour Place
London
W1H 6AA



Date: 23rd April, 1998

COMMERCIAL UNION BUILDINGS COMPANY LIMITED

BALANCE SHEET AS AT 30TH JUNE 1997

You have printed the small abbreviated balance sheet, but you have not selected the small abbreviated type within the Financial Statements company information section.

	Notes	1997	1996
		£	£
Tangible assets	2	1,372,093	1,365,501
Investments	3	289,500	273,313
		<u>1,661,593</u>	<u>1,638,814</u>
Current Assets			
Debtors		1,336,748	1,316,043
Cash at bank and in hand		65,348	136,492
		<u>1,402,096</u>	<u>1,452,535</u>
Creditors			
Amounts falling due within one year		235,538	274,509
		<u>235,538</u>	<u>274,509</u>
Net Current Assets		<u>1,166,558</u>	<u>1,178,026</u>
Total Assets Less Current Liabilities		<u>2,828,151</u>	<u>2,816,840</u>
Creditors			
Amounts falling due after more than one year		791,146	791,146
		<u>791,146</u>	<u>791,146</u>
		<u>2,037,005</u>	<u>2,025,694</u>
Capital and Reserves			
Share capital	5	4,427	4,427
Other reserves		3,500	3,500
Profit and loss account		2,029,078	2,017,767
		<u>2,037,005</u>	<u>2,025,694</u>
Shareholders' Funds		<u>2,037,005</u>	<u>2,025,694</u>

The abbreviated accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

Director.....

Director.....

Approved on: 16.4.98

The notes on pages 4 to 6 form part of these financial statements.

COMMERCIAL UNION BUILDINGS COMPANY LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 30TH JUNE 1997

1 Accounting Policies

Basis of Preparation of Financial Statements

The financial statements are prepared under the historical cost convention and in accordance with applicable Accounting Standards.

Compliance with SSAP19 "Accounting for Investment Properties" requires a departure from the requirements of the Companies Act 1985 relating to depreciation and amortisation and an explanation of this departure is given below.

Depreciation

Depreciation is provided on all tangible fixed assets with the exception of investment properties and long leasehold property (see below), at rates calculated to write off the cost of each asset evenly over its expected useful life, as follows:-

Motor vehicles	5 years - 8 years
Furniture and equipment	5 years

No depreciation is provided on the long leasehold property since it is the group's practice to maintain such property in a continual state of sound repair and any depreciation would not be material. Provision will be made should any permanent diminution in value of the property occur, such provision being based on the prices prevailing at the time of its acquisition or subsequent valuation.

Investment Properties

In accordance with Statement of Standard Accounting Practice No. 19, 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.

Deferred Taxation

Deferred taxation is provided using the liability method on all timing differences which are expected to reverse in the future without being replaced, calculated at the rate at which it is anticipated the timing differences will reverse.

COMMERCIAL UNION BUILDINGS COMPANY LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 30TH JUNE 1997

2 Fixed Assets

	Tangible Fixed Assets
	<hr/>
	£
Cost	
At 1st July 1996	1,471,521
Additions	31,225
Disposals	(7,800)
	<hr/>
At 30th June 1997	1,494,946
	<hr/>
Depreciation	
At 1st July 1996	106,021
Charge for the year	16,832
	<hr/>
At 30th June 1997	122,853
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Net Book Value	
At 30th June 1997	1,372,093
	<hr/>
<i>At 30th June 1996</i>	<i>1,365,500</i>
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COMMERCIAL UNION BUILDINGS COMPANY LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 30TH JUNE 1997

3 Investments

	1997	1996
Cost	£	£
At 1st July 1996	273,313	269,936
Share of joint venture profit	36,187	34,046
Repaid by joint venture in the year	(20,000)	(30,669)
At 30th June 1997	289,500	273,313

The company owns 25% of the ordinary share capital of Aviawise Limited, a property investment company incorporated in England. The financial year end of Aviawise Limited is 28th February, and in the year to 28th February, 1997 the company made a profit after tax of £8,836 and its aggregate share capital and reserves at that date were £218,575.

The company has entered into an unincorporated property investment joint venture called Fryern Arcade, with Goldpine Furniture Limited, as equal equity partners. For the purposes of the company accounts, Commercial Union Buildings Company Limited's share of the joint venture profits have been reflected as an increase in investment in joint venture and a corresponding entry reflecting its results for the period. The joint venture's principal place of business is the Fryern Arcade, Chandlers Ford, Hampshire and is managed by the directors of the company.

The company owns 50% of the shares of Lyleworth Limited, a property investment company incorporated in England. In the period to 30 June, 1997 Lyleworth Limited made a loss of £8,230 and its balance sheet deficit stood at £8,080.

4 Borrowings

	1997	1996
	£	£
Loans due after more than one year (Secured)	791,146	791,146

Analysis of repayments:

Between one and two years	791,146	-
Between two and five years	-	791,146

5 Share Capital

	1997	1996
	£	£
Authorised		
Equity Shares		
Ordinary shares of £10.00 each	20,000	20,000
Allotted, called up and fully paid		
Equity Shares		
770 Ordinary shares of £5.75 each	4,427	4,427