

Company Registration No. 00649852 (England and Wales)

COMPANIES HOUSE COPY

COLSAN LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2009



COLSAN LIMITED

COMPANY INFORMATION

Directors	D A Pearlman A Eisen
Secretary	A Eisen
Company number	00649852
Registered office	Quadrant House - Floor 6 4 Thomas More Square London E1W 1YW
Auditors	UHY Hacker Young Quadrant House 4 Thomas More Square London E1W 1YW
Bankers	National Westminster Bank Plc 20 Amhurst Road London E8 1QZ

COLSAN LIMITED

CONTENTS

	Page
Directors' report	1 - 2
Independent auditors' report	3 - 5
Profit and loss account	6
Statement of total recognised gains and losses	7
Balance sheet	8
Notes to the financial statements	9 - 15

COLSAN LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 SEPTEMBER 2009

The directors present their report and financial statements for the year ended 30 September 2009.

Principal activities and review of the business

The principal activity of the company continued to be that of property investment

The results for the year and the financial position at the year end were considered satisfactory by the directors who expect continued growth in the foreseeable future

Results and dividends

The results for the year are set out on page 6

Directors

The following directors have held office since 1 October 2008:

D A Pearlman

A Eisen

Charitable donations	2009	2008
	£	£
During the year the company made the following payments		
Charitable donations	85,000	-

The recipients, amounts and purpose of the charitable donations are as follows

Chaim Bechesed Trust, £30,000, Purpose includes financial aid for families in need, scholarships for advanced learning and assistance for medical, surgical and therapy expenditure.

Lolev Charitable Trust £35,000, Purpose is to provide charitable support to persons throughout the world

CMZ Limited, £20,000, Purpose includes the relief of poverty amongst people in the condition of need, hardship and distress in the orthodox Jewish community

Auditors

The auditors, UHY Hacker Young, are deemed to be reappointed under section 487(2) of the Companies Act 2006.

COLSAN LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2009

Statement of directors' responsibilities

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of disclosure to auditors

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

By order of the board

A Eisen
Secretary
4/6/10



**INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF COLSAN LIMITED**

We have audited the financial statements of Colsan Limited for the year ended 30 September 2009 set out on pages 6 to 15. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an 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 and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement set out on pages 1 - 2, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements.

With regard to the investment properties having a carrying value of £5,788,000, the evidence available to us was limited as due to the current economic climate neither the company nor its parent company or the parent company's investors have undertaken a significant number of recent transactions in comparable properties. We were unable to obtain sufficient appropriate external and comparable evidence regarding the property valuations by way of any alternative audit procedures.

INDEPENDENT AUDITORS' REPORT (CONTINUED)
TO THE MEMBERS OF COLSAN LIMITED

Opinion arising from limitation in audit scope

Except for any adjustments that might have been found to be necessary had we been able to obtain sufficient external and comparable evidence concerning the investment property valuations, in our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 30 September 2009 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006

Emphasis of matter

Going concern

In forming our opinion, we have considered the adequacy of the disclosures made in note 1 of the financial statements concerning the financial support of the parent company, its investors and fellow subsidiaries and the continuation and renewal of available banking facilities in the current economic climate. In view of the significance of this uncertainty we consider that it should be drawn to your attention but our opinion is not qualified in this respect.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

INDEPENDENT AUDITORS' REPORT (CONTINUED)
TO THE MEMBERS OF COLSAN LIMITED

Matters on which we are required to report by exception

In respect alone of the limitation on our audit work relating to the valuation of the investment properties, we have not obtained all the third party information that we considered necessary for the purpose of our audit

Except for the above, we have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit



Colin Jones (Senior Statutory Auditor)
for and on behalf of UHY Hacker Young

21st June 2010

Chartered Accountants
Statutory Auditor

COLSAN LIMITED**PROFIT AND LOSS ACCOUNT****FOR THE YEAR ENDED 30 SEPTEMBER 2009**

		2009	2008
	Notes	£	£
Turnover	2	350,108	193,369
Cost of sales		(71,824)	(47,157)
Gross profit		278,284	146,212
Administrative expenses		(97,919)	(9,611)
Operating profit	3	180,365	136,601
Other interest receivable and similar income	4	77	189
Interest payable and similar charges	5	(8)	(526)
Profit on ordinary activities before taxation		180,434	136,264
Tax on profit on ordinary activities	6	(36,689)	(25,104)
Profit for the year	12	143,745	111,160

The profit and loss account has been prepared on the basis that all operations are continuing operations.

COLSAN LIMITED

**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
FOR THE YEAR ENDED 30 SEPTEMBER 2009**

	2009	2008
Notes	£	£
Profit for the financial year	143,745	111,160
Unrealised deficit on revaluation of properties	(5,583)	(1,147,648)
Total recognised gains and losses relating to the year	<u>138,162</u>	<u>(1,036,488)</u>

COLSAN LIMITED

BALANCE SHEET

AS AT 30 SEPTEMBER 2009

	Notes	2009 £	£	2008 £	£
Fixed assets					
Tangible assets	7	5,788,000		5,550,000	
Investments	8		2		2
		<u>5,788,002</u>		<u>5,550,002</u>	
Current assets					
Debtors	9	141,818		129,347	
Cash at bank and in hand		<u>3,426</u>		<u>-</u>	
		145,244		129,347	
Creditors: amounts falling due within one year	10	<u>(4,073,129)</u>		<u>(3,957,394)</u>	
Net current liabilities			<u>(3,927,885)</u>		<u>(3,828,047)</u>
Total assets less current liabilities			<u>1,860,117</u>		<u>1,721,955</u>
Capital and reserves					
Called up share capital	11		100		100
Revaluation reserve	12		1,111,384		1,116,967
Other reserves	12		13,283		13,283
Profit and loss account	12		<u>735,350</u>		<u>591,605</u>
Shareholders' funds	13		<u>1,860,117</u>		<u>1,721,955</u>

Approved by the Board and authorised for issue on 4/6/10


D.A. Pearlman
Director


A. Eisen
Director

Company Registration No. 00649852

COLSAN LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2009

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention modified to include the revaluation of freehold land and buildings

Going concern

The company is dependent upon its parent entity, its investors and fellow subsidiaries for continuing financial support.

The company is financed partly by equity and partly by way of facilities provided by its parent entity, and ultimately banking facilities provided to that entity. These facilities fall due for renewal periodically. Currently, there is no indication that a renewal of the existing facilities should not be achieved by working closely with the bankers. The directors have no reason to believe that this support will not continue in the foreseeable future.

The directors are satisfied that the company has adequate resources to continue its operations for the foreseeable future, and, therefore, continue to adopt the going concern basis in preparing the financial statements

The company has taken advantage of the exemption in Financial Reporting Standard No 1 from the requirement to produce a cash flow statement on the grounds that it is a small company.

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated)

1.3 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts

COLSAN LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2009

1 Accounting policies

(Continued)

1.4 Tangible fixed assets and depreciation

Investment properties are included in the balance sheet at their open market value. Depreciation is provided only on those investment properties which are leasehold and where the unexpired lease term is less than 20 years.

Although this accounting policy is in accordance with the applicable accounting standard, SSAP 19, Accounting for investment properties, it is a departure from the general requirement of the Companies Act 2006 for all tangible assets to be depreciated. In the opinion of the directors compliance with the standard is necessary for the financial statements to give a true and fair view. Depreciation or amortisation is only one of many factors reflected in the annual valuation and the amount of this which might otherwise have been charged cannot be separately identified or quantified.

1.5 Investments

Fixed asset investments are stated at cost less provision for diminution in value.

1.6 Deferred taxation

Deferred taxation is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

1.7 Group accounts

The financial statements present information about the company as an individual undertaking and not about its group. The company and its subsidiary undertaking comprise a small-sized group. The company has therefore taken advantage of the exemptions provided by section 398 of the Companies Act 2006 not to prepare group accounts.

2 Turnover

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the United Kingdom.

3 Operating profit

Operating profit is stated after charging
Auditors' remuneration
Charitable donations

2009	2008
£	£

6,883	4,700
85,000	-

COLSAN LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2009

4	Investment income	2009 £	2008 £
	Bank interest	12	-
	Other interest	65	189
		<u>77</u>	<u>189</u>
5	Interest payable	2009 £	2008 £
	On amounts payable to group companies	-	526
	On bank loans and overdrafts	8	-
		<u>8</u>	<u>526</u>
6	Taxation	2009 £	2008 £
	Domestic current year tax		
	U K corporation tax	39,500	27,500
	Adjustment for prior years	(2,811)	(2,396)
	Current tax charge	<u>36,689</u>	<u>25,104</u>
	Factors affecting the tax charge for the year		
	Profit on ordinary activities before taxation	<u>180,434</u>	<u>136,264</u>
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 28.00% (2008 - 29.00%)	<u>50,522</u>	<u>39,517</u>
	Effects of		
	Non deductible expenses	2,009	92
	Adjustments to previous periods	(2,811)	(2,396)
	Other tax adjustments	(13,031)	(12,109)
		<u>(13,833)</u>	<u>(14,413)</u>
	Current tax charge	<u>36,689</u>	<u>25,104</u>

COLSAN LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2009

7 Tangible fixed assets

	Investment properties £
Cost or valuation	
At 1 October 2008	5,550,000
Additions	243,583
Revaluation	(5,583)
	<hr/>
At 30 September 2009	5,788,000
	<hr/>

The investment properties were valued on an open market basis by the directors as at 30 September 2009.

In the current economic climate there are few comparable transactions partly due to the lack of liquidity in the capital markets and limited activity in the property market. Consequently, the annual directors' valuation of the investment portfolio has proven more difficult.

A legal charge is held over the investment properties as part of the borrowings held by Searchgrade and Portmount Properties Joint Venture.

COLSAN LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 SEPTEMBER 2009

8 Fixed asset investments

	Shares in subsidiary undertakings £
Cost or valuation	
At 1 October 2008 & at 30 September 2009	2
Net book value	
At 30 September 2009	2
At 30 September 2008	2

Holdings of more than 20%

The company holds more than 20% of the share capital of the following companies

Company	Country of registration or incorporation	Class	Shares held %
Subsidiary undertakings			
Streetold	England and Wales	Ordinary	100.00

The aggregate amount of capital and reserves and the results of these undertakings for the last relevant financial year were as follows:

		Capital and reserves 2009 £	Profit/(loss) for the year 2009 £
	Principal activity		
Streetold	Non-trading	423	53

9 Debtors	2009 £	2008 £
Other debtors	137,825	124,404
Prepayments and accrued income	3,993	4,943
	<u>141,818</u>	<u>129,347</u>

COLSAN LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 SEPTEMBER 2009

10 Creditors: amounts falling due within one year	2009	2008
	£	£
Bank overdraft	-	20,980
Trade creditors	2,812	127
Amount owed to subsidiary undertaking	528	528
Corporation tax	38,791	27,500
Other creditors	4,020,542	3,897,961
Accruals and deferred income	10,456	10,298
	<u>4,073,129</u>	<u>3,957,394</u>

11 Share capital	2009	2008
	£	£
Authorised		
10,000 Ordinary shares of £1 each	<u>10,000</u>	<u>10,000</u>
Allotted, called up and fully paid		
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>

12 Statement of movements on reserves	Revaluation reserve	Other reserves	Profit and loss
	£	(see below)	account
	£	£	£
Balance at 1 October 2008	1,116,967	13,283	591,605
Profit for the year	-	-	143,745
Revaluation during the year	(5,583)	-	-
Balance at 30 September 2009	<u>1,111,384</u>	<u>13,283</u>	<u>735,350</u>

Other reserves

Reserves provided for by the Articles of Association

Balance at 1 October 2008 & at 30 September 2009 13,283

COLSAN LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2009

13 Reconciliation of movements in shareholders' funds	2009 £	2008 £
Profit for the financial year	143,745	111,160
Other recognised gains and losses	(5,583)	(1,147,648)
Net addition to/(depletion in) shareholders' funds	138,162	(1,036,488)
Opening shareholders' funds	1,721,955	2,758,443
Closing shareholders' funds	1,860,117	1,721,955

14 Contingent liabilities

There is a potential deferred tax liability comprising £345,800 (2008 £365,400) arising from surplus on the revaluation of the investment properties

15 Employees

Number of employees

There were no employees during the year apart from the directors

16 Control

No individual or entity exercises ultimate control over the company Searchgrade Limited and Portmount Property Limited each hold fifty issued ordinary shares in the company

17 Related party transactions

Included within other debtors are amounts of £95,862 (2008 £123,000) due from Clearvalley Properties, a joint venture in which Searchgrade Limited and Portmount Property Limited have an equal interest and £34,084 (2008 £5,500 creditor) due from Miltenform Properties, a joint venture in which Structadene Limited and Peaceline Limited have an equal interest

Included within creditors due within one year is an amount of £2,747,481 (2008 £2,628,981) due to Searchgrade & Portmount Property, a joint venture in which Searchgrade Limited and Portmount Property Limited have an equal interest, £608,124 (2008 £608,148) due to Structadene Limited, and £608,148 (2008 £608,148) due to Portmount Property Limited

D A Pearlman is a director and has overall control of Searchgrade Limited and Structadene Limited, whilst A Eisen is a director and has overall control of Portmount Property Limited and Peaceline Limited