

CLASSIC MANAGEMENT SERVICES LIMITED
ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 JANUARY 2006

Company Registration Number 1479871

WEDNESDAY



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29/11/2006

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COMPANIES HOUSE

Tenon Limited
Accountants & Business Advisers
Highfield Court
Tollgate
Chandlers Ford
Eastleigh
Hampshire
SO53 3TY

CLASSIC MANAGEMENT SERVICES LIMITED

ABBREVIATED ACCOUNTS

YEAR ENDED 31 JANUARY 2006

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CLASSIC MANAGEMENT SERVICES LIMITED
INDEPENDENT AUDITOR'S REPORT TO CLASSIC MANAGEMENT
SERVICES LIMITED
UNDER SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts set out on pages 2 to 8, together with the financial statements of Classic Management Services Limited for the year ended 31 January 2006 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 auditor's 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 auditor

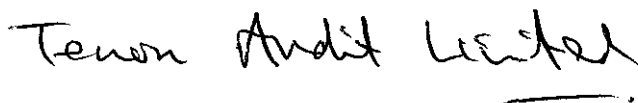
The directors are responsible for preparing the abbreviated accounts in accordance with Section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with Sections 246(5) and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

Basis of opinion

We conducted our work in accordance with Bulletin 2006/3 "The special auditor's report on abbreviated accounts in the United Kingdom" issued by the Auditing Practices Board. In accordance with that Bulletin 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.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Sections 246(5) and (6) of the Companies Act 1985, and the abbreviated accounts have been properly prepared in accordance with those provisions.



Tenon Audit Limited
Registered Auditor
Highfield Court
Tollgate
Chandlers Ford
Eastleigh
Hampshire
SO53 3TY

Date:- 27 November 2006

CLASSIC MANAGEMENT SERVICES LIMITED

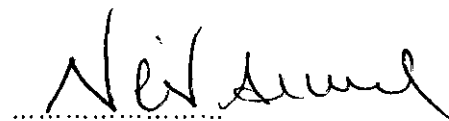
ABBREVIATED BALANCE SHEET

31 JANUARY 2006

	Note	2006 £	£	2005 £	£
Fixed assets	2				
Tangible assets			14,145,221		6,300,266
Investments			4,515,825		495,825
			<u>18,661,046</u>		<u>6,796,091</u>
Current assets					
Stocks		64,327		61,327	
Debtors		3,736,942		5,373,935	
Cash at bank and in hand		-		17,260	
			<u>3,801,269</u>	<u>5,452,522</u>	
Creditors: Amounts falling due within one year	3	(6,256,857)		(4,320,351)	
Net current (liabilities)/assets			(2,455,588)		1,132,171
Total assets less current liabilities			<u>16,205,458</u>		<u>7,928,262</u>
Creditors: Amounts falling due after more than one year	4		(6,838,397)		(2,844,752)
			<u>9,367,061</u>		<u>5,083,510</u>
Capital and reserves					
Called-up share capital	5		188,011		188,011
Share premium account			354,617		354,617
Revaluation reserve			5,974,212		1,959,962
Profit and loss account			2,850,221		2,580,920
Shareholders' funds			<u>9,367,061</u>		<u>5,083,510</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 21/1/06 and are signed on their behalf by:


 N A Aldred
 Director

The notes on pages 3 to 8 form part of these abbreviated accounts.

CLASSIC MANAGEMENT SERVICES LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
YEAR ENDED 31 JANUARY 2006

1. Accounting policies

Basis of accounting

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of certain fixed assets, and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005).

The financial statements are prepared in accordance with applicable accounting standards.

Changes in accounting policies

In preparing the financial statements for the current year, the company has adopted the following Financial Reporting Standards:

Financial Reporting Standard for Smaller Entities (effective January 2005)

The adoption of FRSSE 2005 has had no material effect on these financial statements.

FRS 21 'Events after the Balance Sheet date (IAS 10)'

The adoption of FRS 21 has resulted in a change in accounting policy in respect of proposed equity dividends. If the company declares dividends to the holders of equity instruments after the balance sheet date, the company does not recognise those dividends as a liability at the balance sheet date. The aggregate amount of equity dividends proposed before approval of the financial statements, which have not been shown as liabilities at the balance sheet date, are disclosed in the notes to the financial statements. Previously, proposed equity dividends were recorded as liabilities at the balance sheet date.

The adoption of FRS 21 has had no material effect on these financial statements.

Consolidation

In the opinion of the directors, the company and its subsidiary undertakings comprise a small group. The company has therefore taken advantage of the exemption provided by Section 248 of the Companies Act 1985 not to prepare group accounts.

Cash flow statement

The Company has taken advantage of the exemption in Financial Reporting Standard Number 1 "Cash flow statements" from the requirement to produce a cash flow statement on the grounds that it is a small company.

Turnover

The turnover shown in the profit and loss account represents amounts receivable during the year, exclusive of Value Added Tax.

Tangible fixed assets and depreciation

Tangible fixed assets include investment properties professionally valued by the directors on an open market value basis. Other tangible fixed assets are stated at cost, being purchase price, less accumulated depreciation.

CLASSIC MANAGEMENT SERVICES LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
YEAR ENDED 31 JANUARY 2006

1. Accounting policies *(continued)*

Depreciation is calculated so as to write off the cost of an asset, net of anticipated disposal proceeds, over the useful economic life of that asset as follows:

Fixtures & fittings - 25% straight line

Investment properties

Investment properties are shown at their open market value. The surplus or deficit arising from the annual revaluation is transferred to the investment revaluation reserve unless a deficit, or its reversal, on an individual investment property is expected to be permanent, in which case it is recognised in the profit and loss account for the year.

This is in accordance with the FRSSE which, unlike Schedule 4 to the Companies Act 1985, does not require depreciation of investment properties. Investment properties are held for their investment potential and not for use by the company and so their current value is of prime importance. The departure from the provisions of the Act is required in order to give a true and fair view.

Stocks

Stocks are valued at the lower of cost, being purchase price, and net realisable value.

Pension costs

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account.

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 that result in an obligation to pay more or a right to pay less tax in the future have occurred by the balance sheet date with certain limited exceptions.

Deferred tax is calculated on an undiscounted basis at the tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Investments

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

CLASSIC MANAGEMENT SERVICES LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
YEAR ENDED 31 JANUARY 2006

2. Fixed assets

	Tangible Assets £	Investments £	Total £
Cost or valuation			
At 1 February 2005	6,314,848	851,683	7,166,531
Additions	3,833,022	4,020,000	7,853,022
Disposals	(544)	—	(544)
Revaluation	4,014,250	—	4,014,250
At 31 January 2006	<u>14,161,576</u>	<u>4,871,683</u>	<u>19,033,259</u>
Depreciation and amounts written off			
At 1 February 2005	14,582	355,858	370,440
Charge for year	1,773	—	1,773
At 31 January 2006	<u>16,355</u>	<u>355,858</u>	<u>372,213</u>
Net book value			
At 31 January 2006	<u>14,145,221</u>	<u>4,515,825</u>	<u>18,661,046</u>
At 31 January 2005	<u>6,300,266</u>	<u>495,825</u>	<u>6,796,091</u>

The historic cost of investment properties at the balance sheet date was £8,166,384 (2005 - £4,339,608).

CLASSIC MANAGEMENT SERVICES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31 JANUARY 2006

2. Fixed assets (continued)

Holdings of more than 20%

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

	Country of registration or incorporation	Class	Shares held %
Subsidiary undertakings			
CMS Developments Limited	England & Wales	Ordinary	100
Bugmotive Limited	England & Wales	Ordinary	100
Recordclass Limited	England & Wales	Ordinary	100
CMS Estates (UK) Limited	England & Wales	Ordinary	75
Rope Walk Estates Limited	England & Wales	Ordinary	100
CMS Gosport Limited	England & Wales	Ordinary	100
British Motor Heritage Limited	England & Wales	Ordinary	100
CMS Properties Limited	England & Wales	Ordinary	75
Mill Street Estates Limited	England & Wales	Ordinary	75

Participating interests

Enfranchise 302 Limited	England & Wales	Ordinary	50
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Aggregate capital and reserves

	2006 £	2005 £
CMS Developments Limited	1,226,923	977,678
Bugmotive Limited	2	2
Recordclass Limited	1,195	1,195
CMS Estates (UK) Limited	100	100
Rope Walk Estates Limited	(18,250)	1,624
CMS Gosport Limited	195,133	142,091
CMS Properties Limited	1,000	1,000
Mill Street Estates Limited	46,782	11,324
Enfranchise 302 Limited	1,391,682	367,794

Profit/(loss) for the year

	2006 £	2005 £
CMS Developments Limited	234,061	220,128
Bugmotive Limited	—	—
Recordclass Limited	—	—
CMS Estates (UK) Limited	—	—
Rope Walk Estates Limited	(20,144)	1,634
CMS Gosport Limited	53,042	31,102
CMS Properties Limited	—	—
Mill Street Estates Limited	385,458	11,323
Enfranchise 302 Limited	904,631	(110,040)

British Motor Heritage was acquired on 15 December 2005. The accounts to 31 December 2004 showed shareholder funds of £3,497,340.

The principal activities of the subsidiary companies is that of property ownership and development.

CLASSIC MANAGEMENT SERVICES LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
YEAR ENDED 31 JANUARY 2006

3. Creditors: Amounts falling due within one year

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

	2006 £	2005 £
Bank loans and overdrafts	<u>102,812</u>	<u>1,666,602</u>

4. 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:

	2006 £	2005 £
Bank loans and overdrafts	<u>6,838,397</u>	<u>2,844,752</u>

5. Share capital

Authorised share capital:

	2006 £	2005 £
5,811,760 Ordinary A shares shares of £0.10 each	581,176	581,176
733,890 Ordinary B shares shares of £0.10 each	73,389	73,389
733,890 Ordinary C shares shares of £0.10 each	73,389	73,389
266,106 Redeemable preference shares shares of £1 each	266,106	266,106
	<u>994,060</u>	<u>994,060</u>

Allotted and called up:

	2006 No	£	2005 No	£
Ordinary A shares shares fully paid of £0.10 each	1,504,088	150,409	1,504,088	150,409
Ordinary B shares shares fully paid of £0.10 each	188,011	18,801	188,011	18,801
Ordinary C shares shares fully paid of £0.10 each	188,011	18,801	188,011	18,801
	<u>1,880,110</u>	<u>188,011</u>	<u>1,880,110</u>	<u>188,011</u>

The ordinary A, B, and C shares rank pari passu.

8. Transactions with directors

Included in other creditors are loans due to the directors from the company as follows: N A Aldred £1,150,000 (2005 - £111,850), P A Buckles £776,000 (2005 - £111,850).

Included in other debtors is a balance of £161,023 (2005 - £161,023) due from CMS Ottershaw Limited, a company which the directors have a controlling interest.

Each of the directors have provided a guarantee of £100,000 against a loan taken out by Classic Management Services Limited.

CLASSIC MANAGEMENT SERVICES LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
YEAR ENDED 31 JANUARY 2006

6. Ultimate controlling party

The ultimate controlling party is the board of directors.