

# **Celus Holdings Limited**

## **Annual Report**

**Year ended 24 June 2009**

WEDNESDAY



\*AEK4UEO8\*

A23

04/11/2009

96

COMPANIES HOUSE

## Contents

Section	Page
Company Information	1
Report of the Directors	2-3
Independent Auditors' Report to the Shareholders of Celus Holdings Limited	4-5
Profit and Loss Account	6
Balance Sheet	7
Cash Flow Statement	8
Notes to the Financial Statements	9-15

## **Company Information**

<b>Directors</b>	Mrs J M R Dent (Chairman) Mr C D Dent Mr J P M Dent Ms C S Dent Ms L R Dent Mr C E Shanbury (Appointed 1 July 2009)
<b>Secretary</b>	Mrs J M R Dent
<b>Registered office</b>	Bryanston Court Selden Hill Hemel Hempstead Herts HP2 4TN
<b>Registered number</b>	1801851
<b>Auditors</b>	Grant Thornton UK LLP Chartered Accountants 30 Finsbury Square London EC2P 2YU
<b>Bankers</b>	Barclays Bank Plc 99 Hatton Garden London EC1N 8DN

## Report of the Directors

The directors present their report and the audited financial statements for the year ended 24 June 2009.

### Principal activities

The principal activity of the company is unchanged since last year and consists of property investment in freehold and long leasehold commercial properties in the West End of London.

### Business review and future development

Most of the properties were let throughout the last year and the company continued to trade profitably. In the current year, some leases expired and are in the process of being renewed. In the coming year profitability is likely to decrease due to a combination of the weakened rental market and declining interest rates.

### Results and dividend

The results for the year are disclosed on page 6. The directors paid an ordinary dividend of 50p (2008: 100p) per share totalling £500,000 for the year ended 24 June 2009 (2008 £1,000,000).

### Statement of directors' responsibilities for the Annual Report

The directors are responsible for preparing the Annual 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 financial statements in accordance with United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). The financial statements are required by law to 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 judgments and estimates that are reasonable and prudent
- state whether UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements
- 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 proper accounting records that 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.

### Directors

The directors who served during the year are detailed on page 1.

Those directors serving at the end of the year had interests in the share capital of the company at 24 June as follows:

	Ordinary shares of 50p each	
	2009	2008
Mr C D Dent	71,632	71,632
Mrs J M R Dent	71,632	71,632
Mr J P M Dent	5,000	5,000
Ms C S Dent	30,500	30,500
Ms L R Dent	30,632	30,632

## Report of the Directors (*continued*)

Mr J P M Dent, Ms C S Dent and Ms L R Dent are joint trustees of a charitable trust, which had an interest in 120,000 (2008: 120,000) ordinary shares of 50p each of the company at 24 June 2009.

Mr J P M Dent, Ms C S Dent and Ms L R Dent are joint trustees of a discretionary trust of which they were beneficiaries which held an interest in 475,000 ordinary shares of 50p each in the company at 24 June 2009.

Mr J P M Dent holds 25,500 ordinary shares of 50p each in the company as a bare trustee for the benefit of his children.

None of the directors had any material interest in any contract or arrangement entered into by the company during the year.

### Charitable and political contributions

During the year the company subscribed £300 (2008: £400) for charitable purposes.

### Investment properties

The directors are of the opinion that the current value of the investment properties is substantially in excess of book value. The amount of the excess cannot be more closely determined without a professional valuation, the expense of which is not justified.

### Subsidiary Undertakings

At the end of the prior year, the investment was shown as a current investment as the intention was to wind the company up. However, the company is now going to remain dormant for the foreseeable future and so has been reclassified as a fixed asset investment.

### Disclosure of information to auditors

At the date of making this report each of the company's directors, as set out on page 1, confirm the following:

- so far as each director is aware, there is no relevant information needed by the company's auditors in connection with preparing their report of which the company's auditors are unaware, and
- each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant information needed by the company's auditors in connection with preparing their report and to establish that the company's auditors are aware of that information.

### Auditors

A resolution to reappoint Grant Thornton UK LLP as auditors of the company will be proposed at the forthcoming Annual General Meeting.

The report of the directors was approved by the Board on 23 October 2009 and signed on its behalf by:



J M R Dent  
Secretary

## **Independent Auditor's Report to the Members of Celus Holdings Limited**

We have audited the financial statements of Celus Holdings Limited for the year ended 24 June 2009 which comprise the profit and loss account, the balance sheet, the cash flow statement, the statement of total recognised gains and losses, the reconciliation of movement in shareholders' funds and the related notes. 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 Sections 495 and 496 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 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 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 statement of Directors' Responsibilities set out on page 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 (APB's) Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the APB's website at [www.frc.org.uk/apb/scope/UKNP](http://www.frc.org.uk/apb/scope/UKNP).

### **Qualified opinion on financial statements arising from disagreement about accounting treatment**

The company has chosen not to revalue annually the investment properties in accordance with SSAP 19, which are stated in the balance sheet at a cost of £1,567,686.

Except for the financial effect of not revaluing investment properties referred to in the preceding paragraph, in our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 24 June 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.

### **Opinion on other matter prescribed by the Companies Act 2006**

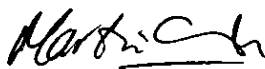
In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

## Independent Auditor's Report to the Members of Celus Holdings Limited (Continued)

### Matters on which we are required to report by exception

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.



Martin Grundy  
Senior Statutory Auditor  
for and on behalf of Grant Thornton UK LLP  
Statutory Auditor, Chartered Accountants  
London

23 October 2009

## Profit and Loss Account

For the year ended 24 June 2009

	Note	2009 £	2008 £
<b>Property revenue: continuing operations</b>		1,634,445	1,691,305
Administrative expenses		(521,287)	(337,991)
<b>Operating profit – continuing operations</b>	2	1,113,158	1,353,314
Income from other fixed asset investments		52,936	46,627
Interest receivable and similar income	3	227,070	374,288
Profit on disposal of Investments		150,581	-
<b>Profit on ordinary activities before taxation</b>		1,543,745	1,774,229
Tax on profit on ordinary activities	6	(407,955)	(525,666)
<b>Profit for the financial year</b>		1,135,790	1,248,563
Dividends paid: 50p (2008:100p) per share		(500,000)	(1,000,000)
<b>Retained profit for the year</b>	15	635,790	248,563

## Statement of Total Recognised Gains and Losses

For the year ended 24 June 2009

	2009 £	2008 £
Profit for the financial year	635,790	248,563
Unrealised (loss)/surplus on revaluation of listed investments	(806,072)	(591,908)
	(170,282)	(343,345)

## Note of Historical Cost Profits and Losses

For the year ended 24 June 2009

	2009 £	2008 £
Profit for the year	635,790	248,563
<b>Historical cost surplus for the year</b>	635,790	248,563



## Balance Sheet

at 24 June 2009

	Note	2009 £	2008 £
<b>Fixed assets</b>			
Tangible assets	7	448	647
Investment properties	8	1,567,686	1,567,686
Other investments	10	750,535	1,556,607
		<hr/>	<hr/>
		2,318,669	3,124,940
		<hr/>	<hr/>
<b>Current assets</b>			
Current asset investment - subsidiary undertakings	9	-	49,246
Debtors due after one year	11	55,527	16,336
Debtors due within one year	11	194,002	144,396
Cash at bank and in hand		8,511,257	7,677,639
		<hr/>	<hr/>
		8,760,786	7,887,617
		<hr/>	<hr/>
<b>Creditors: Amounts falling due within one year</b>	12	(1,902,147)	(1,665,399)
		<hr/>	<hr/>
<b>Net current assets</b>		6,858,639	6,222,218
		<hr/>	<hr/>
<b>Total assets less current liabilities</b>		9,177,308	9,347,158
		<hr/>	<hr/>
Provision for liabilities and charges	13	(8,148)	(7,716)
		<hr/>	<hr/>
<b>Net assets</b>		9,169,160	9,339,442
		<hr/>	<hr/>
<b>Capital and reserves</b>			
Called up share capital	14	500,000	500,000
Share premium account	15	237,591	237,591
Revaluation reserve	15	328,999	1,135,071
Profit and loss account	15	8,102,570	7,466,780
		<hr/>	<hr/>
<b>Equity shareholders' funds</b>		9,169,160	9,339,442
		<hr/>	<hr/>

The notes on pages 9 to 15 form part of these financial statements.

The financial statements were approved by the Board on 23 October 2009 and signed on its behalf by:



Jonathan Paul Maurice Dent  
Director

## Cash Flow Statement

For the year ended 24 June 2009

	Note	2009 £	2008 £
Net cash inflow from operating activities	17	1,398,882	2,568,545
<b>Returns on investment and servicing of finance</b>			
Dividends received		52,936	66,762
Interest received		227,654	362,085
Purchase of Investments		(147,655)	-
Sale of Investments		298,235	-
		431,170	429,647
<b>Taxation</b>			
UK corporation tax paid		(496,433)	(444,058)
<b>Equity dividends paid</b>		(500,000)	(1,000,000)
<b>Fixed Asset Purchases</b>		-	(142,087)
<b>Increase in cash</b>	18	833,619	1,412,047

## Notes to the Financial Statements

24 June 2009

### 1. Accounting Policies

#### Basis of accounting

The financial statements are prepared under the historical cost convention as modified by the inclusion of listed investments at revalued amounts.

The company is not required to prepare group accounts because the group qualifies as small under section 383 of the Companies Act 2006.

#### Property revenue

Property revenue represents rents receivable. Where properties are subject to rent reviews, the increase in the rental is only brought into account when agreed, including the increase, which may relate to a period commencing in a previous accounting period. Payments for dilapidations are brought into account when received.

#### Deferred taxation

The payment of taxation is deferred or accelerated because of timing differences between the treatment of certain items for accounting and taxation purposes. Full provision for deferred taxation is made under the liability method, without discounting, on all timing differences that have arisen, but not reversed by the balance sheet date, unless such provision is not permitted by FRS 19.

#### Depreciation on tangible assets

Depreciation is provided in equal annual instalments over the anticipated useful lives of the assets. The rates of depreciation used are as follows:

Furniture and equipment	-	10%
-------------------------	---	-----

#### Investment properties

Investment properties are stated at cost when acquired by the company on transfer following the reconstruction of the predecessor company on 15 June 1984 and by subsidiaries before that date.

The directors are of the opinion that the current market value of the properties is considerably in excess of their net book value. The directors also consider the expense of professional valuations unjustifiable. Investment properties are not depreciated, as in the opinion of the directors any such depreciation would be immaterial.

#### Other investments

Other investments are shown at market value; investments in subsidiaries are shown at cost less charges for impairment.

Income from listed investments is recognised on an accruals basis.

#### Foreign currencies

Transactions in foreign currencies are recorded at the exchange rate ruling at the date that the transaction occurred. Monetary assets and liabilities denominated in foreign currency are translated into sterling at the rates of exchange ruling at 24 June. Exchange differences are taken to the profit and loss account.

## Notes to the Financial Statements

### 2. Operating Profit

Operating profit is arrived at after charging:

	2009 £	2008 £
Auditors' remuneration	14,400	14,000
Depreciation	199	199
	<u>14,599</u>	<u>14,199</u>

### 3. Interest Receivable and Similar Income

	2009 £	2008 £
Bank interest receivable	215,113	373,030
Other Income receivable	-	1,258
	<u>215,113</u>	<u>374,288</u>

### 4. Employees

	2009 No	2008 No
Average number of people (including directors employed by the company during the year in an administrative capacity was:	6	6
	<u>6</u>	<u>6</u>

Staff costs, including directors:

	2009 £	2008 £
Wages and salaries	160,094	165,224
Social security costs	15,634	16,417
	<u>175,728</u>	<u>181,641</u>

### 5. Directors

	2009 £	2008 £
Directors remuneration	150,000	155,000
	<u>150,000</u>	<u>155,000</u>
Chairman	25,000	25,000
	<u>25,000</u>	<u>25,000</u>
Highest paid director	55,000	50,000
	<u>55,000</u>	<u>50,000</u>

## Notes to the Financial Statements

## 6. Tax on Profit on Ordinary Shares

	2009 £	2008 £
<b>United Kingdom Corporation Tax</b>		
Current tax on income for the year	408,000	526,000
Adjustments in respect of prior years	(477)	(130)
	<hr/>	<hr/>
<b>Current taxation</b>	407,523	525,870
<b>Deferred taxation</b>		
Net origination (reversal) of timing differences	432	(204)
	<hr/>	<hr/>
<b>Current taxation charge</b>	407,955	525,666
	<hr/>	<hr/>
<b>Current tax reconciliation</b>		
Profit on ordinary activities before taxation	1,543,745	1,774,229
	<hr/>	<hr/>
Theoretical tax at UK corporation tax rate 28% (2008:30%)	432,249	524,028
Effects of: -		
- adjustments in respect of prior years	(477)	(130)
- accelerated capital allowances	(432)	(362)
- UK dividends not taxable	(1,430)	(3,076)
- Expenses not deductible for tax purposes	(25,373)	4,934
- Other adjustments	2,986	476
	<hr/>	<hr/>
Actual current taxation charge	407,523	525,870
	<hr/>	<hr/>

## 7. Tangible Fixed Assets

	Furniture and equipment £
<b>Cost</b>	
At 25 June 2008	1,985
	<hr/>
At 24 June 2009	1,985
<b>Depreciation</b>	
At 25 June 2008	1,338
Charge for the year	199
	<hr/>
At 24 June 2009	1,537
<b>Net book value</b>	
At 24 June 2009	448
	<hr/>
At 24 June 2008	647
	<hr/>

## Notes to the Financial Statements

## 8. Investment Properties

	Long leasehold £	Freehold £	Total £
<b>Cost and NBV</b>			
At 25 June 2008	614,761	952,925	1,567,686
Additions	-	-	-
Disposals	-	-	-
At 24 June 2009	614,761	952,925	1,567,686

No provision for deferred taxation of approximately £14,000 (2008 - £11,000) which would be payable if the properties were sold at their book value has been made, as there is no intention to dispose of any properties in the foreseeable future.

## 9. Subsidiary Undertakings

	Total £
<b>Cost and net book value</b>	
At 24 June 2008	49,246
Impairment	(49,246)
At 24 June 2009	-

Principal subsidiary	Country of incorporation or registration	Capital and reserves £	Profit for the financial year £	Parent interest in ordinary shares
White Lodge Limited	England & Wales	664,891	-	100%

Under the equity method of valuation the investment in subsidiary undertakings would be £664,891 (2008: £664,891) The directors of White Lodge Ltd have taken the decision to leave the company as dormant. The investment has been impaired as a result of this.

## Notes to the Financial Statements

## 10. Other investments

## Listed investments

	2009 £
<b>Market value</b>	
At 25 June 2008	1,556,607
Change in valuation during the year	(806,072)
Purchase of investments in the year	(147,655)
Sale of investments in the year	147,653
	<hr/>
At 24 June 2009	750,535
	<hr/>
The original cost of the listed investments held at 24 June 2009 was	421,535
	<hr/>

No provision has been made for the deferred tax of 46,000 (2008: £188,000) on gains on revaluing investments to their market value, as there is no intention to dispose of the investments in the foreseeable future.

## 11. Debtors

	2009 £	2008 £
<b>Due after one year</b>		
Rental income receivable	55,527	16,336
	<hr/>	<hr/>
	55,527	16,336
	<hr/>	<hr/>
<b>Due within one year</b>		
Rental income receivable	164,947	51,401
Sundry debtors and prepayments	29,055	92,995
	<hr/>	<hr/>
	194,002	144,396
	<hr/>	<hr/>

## 12. Creditors: Amounts Falling Due Within One Year

	2009 £	2008 £
Amounts due to subsidiary undertaking	662,629	725,039
Corporation tax	179,658	280,256
Other tax and social security	78,753	96,767
Accruals and deferred income	426,694	483,567
Other creditors	554,413	79,770
	<hr/>	<hr/>
	1,902,147	1,665,399
	<hr/>	<hr/>

# Notes to the Financial Statements

## 13. Provisions for Liabilities and Charges

	Deferred taxation £
At 25 June 2008	7,716
Transfer from profit and loss account	432
	<hr/>
At 24 June 2009	8,148
	<hr/>

Deferred taxation comprises:	Amounts provided 2009 £	2008 £
Capital allowances	8,148	7,716
	<hr/>	<hr/>

## 14. Called Up Share Capital

	2009 £	2008 £
Authorised, allotted and fully paid 1,000,000 ordinary shares of 50p each	500,000	500,000
	<hr/>	<hr/>

## 15. Reserves

	Share premium account £	Revaluation Reserve £	Profit and loss account £
At 25 June 2008	237,591	1,135,071	7,466,780
Retained profit	-	-	635,790
Investment revaluation loss	-	(806,072)	-
	<hr/>	<hr/>	<hr/>
At 24 June 2009	237,591	328,999	8,102,570
	<hr/>	<hr/>	<hr/>

## 16. Reconciliation of Shareholders Funds

	2009 £	2008 £
Total recognised gains	(170,282)	(343,345)
Opening shareholders' funds	9,339,442	9,682,787
	<hr/>	<hr/>
Closing shareholders' funds	9,169,160	9,339,442
	<hr/>	<hr/>



## Notes to the Financial Statements

### 17. Reconciliation of Operating Profit to Net Cash Flow from Operating Activities

	2009 £	2008 £
Operating profit	1,113,158	1,353,314
Depreciation	199	199
Impairment	49,246	
(Increase)/Decrease in debtors	(100,396)	330,588
Increase in creditors	336,675	884,444
	<u>1,398,882</u>	<u>2,568,545</u>

### 18. Analysis of Cash

	2009 £	2008 £
At 25 June 2008	7,677,639	6,265,592
Net cash inflow	<u>833,619</u>	<u>1,412,047</u>
At 24 June 2009	<u>8,511,258</u>	<u>7,677,639</u>

### 19. Related Party Transactions

During the year the property owned by the subsidiary undertaking, was sold to C S Dent and L R Dent, at market value, who are both directors and shareholders of Celus Holdings Ltd.