

COMPANIES HOUSE

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CELUS HOLDINGS LIMITED  
REPORT AND FINANCIAL STATEMENTS

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◆ 24 June 1996 ◆

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## CELUS HOLDINGS LIMITED

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# **CELUS HOLDINGS LIMITED**

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## **COMPANY INFORMATION**

<b>Directors</b>	Mrs J M R Dent (Chairman) Mr C D Dent Mr J P M Dent Ms C S Dent
<b>Secretary</b>	Mrs J M R Dent
<b>Registered office</b>	2/4 Cayton Street London EC1V 9EH
<b>Registered number</b>	1801851
<b>Auditors</b>	Robson Rhodes Chartered Accountants 186 City Road London EC1V 2NU
<b>Bankers</b>	Barclays Bank Plc 8/9 Hanover Square London W1A 4ZW

## **CELUS HOLDINGS LIMITED**

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### **REPORT OF THE DIRECTORS**

The directors present their report and the audited financial statements of the company for the year ended 24 June 1996.

#### **Principal activities**

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

#### **Review of the business**

Rental income has fallen as existing leases have come to an end and tenants have sought to surrender leases early. This has been partially offset by an increase in interest received and a reduction in outgoings, resulting in a somewhat lower net profit for the year as expected.

Whilst there has been a welcome increase in the number of enquiries received for vacant office space in the West End of London, lettings have been minimal and rents achieved similar to those of the mid-eighties. As inflation has increased in excess of 50%, in real terms rents are now substantially less than they were fifteen years ago whilst Business Rates and Empty Rates have soared.

Future rental income is expected to be lower than the company has been able to generate over the last decade.

#### **Results and dividend**

The results for the year are disclosed on page 5. No dividends are proposed.

#### **Directors' responsibilities for financial statements**

Company law requires the directors to prepare financial statements for each financial year which 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 have:

- selected suitable accounting policies and applied them consistently;
- made judgments and estimates that are reasonable and prudent;
- followed applicable accounting standards; and
- prepared the financial statements on the going concern basis.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. 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.

## CELUS HOLDINGS LIMITED

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### REPORT OF THE DIRECTORS

(Continued)

#### Directors

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	
	1996	1995

Mrs J M R Dent	143,264	143,264
Mr J P M Dent	5,000	5,000
Ms C S Dent	5,000	5,000

Mr J P M Dent, Ms C S Dent and Mr C E Shanbury (a partner in Robson Rhodes) are the joint trustees of two charitable trusts which have an interest in 120,000 (1995: 120,000) ordinary shares of 50p each of the company at 24 June 1996. None of the trustees has a beneficial interest in the shares.

No other director had any interest in the shares of the company.

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 £9,033 (1995 - £87,300) 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.

#### Auditors

The auditors Robson Rhodes are willing to continue in office, and a resolution to re-appoint them will be proposed at the annual general meeting.

The report of the directors was approved by the Board on *16 October* 1996 and signed on its behalf by:



Jose Marianne Ruth Dent  
Secretary

## **CELUS HOLDINGS LIMITED**

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### **AUDITORS' REPORT TO THE SHAREHOLDERS OF CELUS HOLDINGS LIMITED**

We have audited the financial statements on pages 5 to 15 which have been prepared on the basis of the accounting policies set out on page 8.

#### **Respective responsibilities of directors and auditors**

As described on page 2 the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

#### **Basis of opinion**

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

#### **Qualified opinion arising from disagreement about accounting treatment**

Except for the failure to revalue annually investment properties, which are stated in the balance sheet at a cost of £1,381,175, in our opinion the financial statements give a true and fair view of the state of affairs of the company as at 24 June 1996 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Robson Rhodes

Chartered Accountants and Registered Auditor

London

16 October 1996

**CELUS HOLDINGS LIMITED****PROFIT AND LOSS ACCOUNT**  
for the year ended 24 June 1996

	Note	1996 £	1995 £
Property revenue: continuing operations		886,758	1,206,313
Administrative expenses		(202,624)	(288,840)
Operating profit: continuing operations	2	684,134	917,473
Income from other fixed assets investments		42,079	40,728
Interest receivable and similar income	3	195,188	123,088
Profit on ordinary activities before taxation		921,401	1,081,289
Tax on profit on ordinary activities	6	(307,251)	(331,301)
Retained profit for the year	14	614,150	749,988

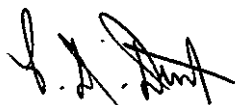
**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES**

	1996 £	1995 £
Profit for the financial year	614,150	749,988
Unrealised deficit on revaluation of listed investments	(44,200)	66,942
	569,950	816,930

**CELUS HOLDINGS LIMITED****BALANCE SHEET  
at 24 June 1996**

	Note	1996 £	1995 £
<b>Fixed assets</b>			
Tangible assets	7	1,623	1,878
Investment properties	8	1,381,175	1,381,175
Subsidiary undertakings	9	76,845	76,845
Other investments	10	834,740	878,940
		<hr/>	<hr/>
		2,294,383	2,338,838
		<hr/>	<hr/>
<b>Current assets</b>			
Debtors due after one year	11	134,000	140,000
Debtors due within one year	11	34,666	124,049
Cash at bank		3,155,206	2,891,165
		<hr/>	<hr/>
		3,323,872	3,155,214
		<hr/>	<hr/>
<b>Creditors: Amounts falling due within one year</b>	12	(463,785)	(909,532)
		<hr/>	<hr/>
<b>Net current assets</b>		2,860,087	2,245,682
		<hr/>	<hr/>
<b>Net assets</b>		5,154,470	4,584,520
		<hr/>	<hr/>
<b>Capital and reserves</b>			
Called up share capital	13	500,000	500,000
Share premium account	14	237,591	237,591
Revaluation reserve	14	361,688	405,888
Profit and loss account	14	4,055,191	3,441,041
		<hr/>	<hr/>
<b>Equity shareholders' funds</b>	15	5,154,470	4,584,520
		<hr/>	<hr/>

The financial statements were approved by the Board on *16 October* 1996 and signed on its behalf by:



Cecil David Dent  
Director



**CELUS HOLDINGS LIMITED****CASH FLOW STATEMENT**  
**for the year ended 24 June 1996**

	Note	1996 £	1995 £
Net cash inflow from operations	16	355,630	1,321,140
Returns on investments and servicing of finance			
Listed investments		33,663	32,582
Interest received		197,885	109,774
Taxation			
UK corporation tax paid		(338,835)	(330,386)
UK corporation tax recovered		15,845	-
		322,990	(330,386)
Investing activities			
Payment to acquire other fixed asset investments		-	(6,300)
Payment to acquire fixed assets		(147)	-
Net cash outflow from investing activities		(147)	(6,300)
Net cash inflow before financing		264,041	1,126,810
Cash flow from financing		-	-
Increase in cash and cash equivalents	17	264,041	1,126,810

## CELUS HOLDINGS LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS

24 June 1996

#### 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 249 of the Companies Act 1985.

##### **Property revenue**

Property revenue represents rents receivable, less ground rent and maintenance expenses. 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.

##### **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%
Motor cars	-	20%

##### **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**

Listed investments are shown at market value; investments in subsidiaries are shown at cost to the parent company.

#### 2. OPERATING PROFIT

	1996 £	1995 £
Operating profit is arrived at after charging:		
Auditors' remuneration	10,500	10,500
Depreciation	402	387
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## CELUS HOLDINGS LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS

24 June 1996

#### 3. INTEREST RECEIVABLE AND SIMILAR INCOME

	1996 £	1995 £
Bank deposit interest receivable	194,947	122,920
Other interest receivable	241	168
	<hr/>	<hr/>
	195,188	123,088
	<hr/>	<hr/>

#### 4. EMPLOYEES

	Number of employees	
	1996	1995
Average number of people (including directors) employed by the company during the year in an administrative capacity was:	7	7
	<hr/>	<hr/>
Staff costs, including directors:	£	£
Wages and salaries	102,996	102,922
Social security costs	9,581	8,939
	<hr/>	<hr/>
	112,577	111,861
	<hr/>	<hr/>

**CELUS HOLDINGS LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS****24 June 1996****5. DIRECTORS' EMOLUMENTS**

	<b>1996</b>	<b>1995</b>
	<b>£</b>	<b>£</b>
Management remuneration	81,512	81,607
	<hr/>	<hr/>
Chairman	11,975	11,943
	<hr/>	<hr/>
Highest paid director	59,537	59,664
	<hr/>	<hr/>
	<b>No.</b>	<b>No.</b>
Scale of other directors' remuneration £0 - £5000	2	2
	<hr/>	<hr/>

**6. TAX ON PROFIT ON ORDINARY ACTIVITIES**

	<b>1996</b>	<b>1995</b>
	<b>£</b>	<b>£</b>
Corporation tax at 33% (1995 - 33%)	300,000	340,000
Adjustment to prior years' estimates	(1,165)	(16,845)
Tax credits on franked investment income	8,324	8,041
Income tax suffered on overseas earnings	92	105
	<hr/>	<hr/>
	307,251	331,301
	<hr/>	<hr/>

**CELUS HOLDINGS LIMITED****NOTES TO THE FINANCIAL STATEMENTS****24 June 1996****7. TANGIBLE FIXED ASSETS**

	<b>Motor cars £</b>	<b>Furniture and equipment £</b>	<b>Total £</b>
<b>Cost</b>			
At 25 June 1995	21,513	3,877	25,390
Additions	-	147	147
	<hr/>	<hr/>	<hr/>
At 24 June 1996	21,513	4,024	25,537
	<hr/>	<hr/>	<hr/>
<b>Depreciation</b>			
At 25 June 1995	21,513	1,999	23,512
Charge for the year	-	402	402
	<hr/>	<hr/>	<hr/>
At 24 June 1996	-	2,401	1,623
	<hr/>	<hr/>	<hr/>
<b>Net book value</b>			
At 24 June 1996	-	1,623	1,623
	<hr/>	<hr/>	<hr/>
At 24 June 1995	-	1,878	1,878
	<hr/>	<hr/>	<hr/>

**8. INVESTMENT PROPERTIES**

	<b>Long leasehold £</b>	<b>Freehold £</b>	<b>Total £</b>
<b>Cost</b>			
At 25 June 1995 and at 24 June 1996	428,250	952,925	1,381,175
	<hr/>	<hr/>	<hr/>

No provision for deferred taxation of approximately £76,500 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 of the properties in the foreseeable future.

## CELUS HOLDINGS LIMITED

### NOTES TO THE FINANCIAL STATEMENTS

24 June 1996

#### 9. INVESTMENT IN SUBSIDIARY UNDERTAKINGS

	£
<b>Cost</b>	
At 25 June 1995 and 24 June 1996	170,863
	<hr/>
<b>Provisions</b>	
At 25 June 1995 and 24 June 1996	94,018
	<hr/>
<b>Net book value</b>	
At 24 June 1996 and 24 June 1995	76,845
	<hr/> <hr/>

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	48,424	3,695	100%
Cramas Properties Limited	England & Wales	27,600	-	100%

Under the equity method of valuation, the investment in subsidiary undertakings would be £74,682 (1995: £72,329).

#### 10. OTHER INVESTMENTS

##### Listed investments

	1996 £	1995 £
<b>Market value</b>		
At 25 June	878,940	805,698
Additions	-	6,300
Change in valuation during the year	(44,200)	66,942
	<hr/>	<hr/>
At 24 June 1996	834,740	878,940
	<hr/> <hr/>	<hr/> <hr/>
<b>The original cost of the listed investments held at 24 June was</b>	473,051	473,051
	<hr/> <hr/>	<hr/> <hr/>

Corporation tax of approximately £45,000 (1995: £51,000) would be payable if the listed investments were sold at their market value.

**CELUS HOLDINGS LIMITED****NOTES TO THE FINANCIAL STATEMENTS****24 June 1996****11. DEBTORS**

	<b>1996</b>	<b>1995</b>
	<b>£</b>	<b>£</b>
<b>Due after one year</b>		
Amounts owed by subsidiary undertaking	125,000	125,000
Other debtors	9,000	15,000
	<hr/>	<hr/>
	134,000	140,000
	<hr/>	<hr/>
<b>Due within one year</b>		
Amount owed by subsidiary undertaking	2,237	4,119
Other debtors	3,000	62,000
Corporation tax recoverable	-	15,845
Sundry debtors and prepayments	29,429	42,085
	<hr/>	<hr/>
	34,666	124,049
	<hr/>	<hr/>

**12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>1996</b>	<b>1995</b>
	<b>£</b>	<b>£</b>
Amounts owed to subsidiary undertaking	27,600	27,600
Rents received in advance	-	491,250
Corporation tax	300,000	340,000
Other taxes and social security	4,943	4,959
Accruals and deferred income	131,242	45,723
	<hr/>	<hr/>
	463,785	909,532
	<hr/>	<hr/>

**13. CALLED UP SHARE CAPITAL**

	<b>1996</b>	<b>1995</b>
	<b>£</b>	<b>£</b>
<b>Authorised, allotted and fully paid</b>		
1,000,000 ordinary shares of 50p each	500,000	500,000
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**CELUS HOLDINGS LIMITED****NOTES TO THE FINANCIAL STATEMENTS****24 June 1996****14. RESERVES**

	Share premium account £	Revaluation reserve £	Profit and loss account £
At 25 June 1995	237,591	405,888	3,441,041
Retained profit	-	-	614,150
Investments revaluation deficit	-	(44,200)	-
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At 24 June 1996	237,591	361,688	4,055,191
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**15. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

	1996 £	1995 £
Total recognised gains	569,950	816,930
Opening shareholders' funds	4,584,520	3,767,590
	<hr/>	<hr/>
Closing shareholders' funds	5,154,470	4,584,520
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**16. RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES**

	1996 £	1995 £
Operating profit	684,134	917,473
Depreciation	402	387
Decrease/(increase) in debtors	76,841	(75,944)
(Decrease)/increase in creditors	(405,747)	479,224
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	355,630	1,321,140
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## CELUS HOLDINGS LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS

24 June 1996

#### 17. ANALYSIS OF CASH AND CASH EQUIVALENTS

	Cash at bank and in hand £
At 25 June 1994	1,764,355
Net cash inflow	1,126,810
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At 25 June 1995	2,891,165
Net cash inflow	264,041
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At 24 June 1996	3,155,206
	<hr/> <hr/>