

Registered number
2072486

C S Properties Limited

Report and Accounts

30 September 2005



C S Properties Limited
Report and accounts
Contents

	Page
Company information	1
<i>Directors' report</i>	2
Statement of directors' responsibilities	3
Auditors' report	4
Profit and loss account	5
Statement of total recognised gains and losses	6
Balance sheet	7
Notes to the accounts	8 - 10

C S Properties Limited
Company Information

Directors

Mr I M Livingstone
Mr GA Springer

Secretary

Mr R N Luck

Registered Office

St Alphage House
2 Fore Street
London
EC2Y 5DH

Auditors

UHY Hacker Young
168 Church Road
Hove
East Sussex
BN3 2DL

Registered number

2072486

C S Properties Limited
Directors' Report

The directors present their report and accounts for the year ended 30 September 2005.

Principal activities and review of the business

The company acted as an investment company. The directors consider the financial position at 30 September 2005 to be satisfactory.

Results and dividends

The results for the year are set out in the profit and loss account on page 5. The company paid a dividend of £3,900,000 during the year.

Directors

The directors who served during the year were:

Mr I M Livingstone

Mr G A Springer

The directors had no interest in the ordinary shares of the company at any time during the year.

Auditors

The Company passed an Elective Resolution during the year, pursuant to Section 386 of the Companies Act 1985, electing to dispense with the obligation to re-appoint auditors annually. The resolution remains in force.

This report was approved by the board on 24 May 2006.

Mr R N Luck



Secretary

C S Properties Limited
Statement of Directors' Responsibilities

Company law requires the directors to prepare accounts 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 for that period. In preparing those accounts, the directors are required to:

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

The directors are responsible for maintaining 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 accounts 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.

C S Properties Limited
Auditors' Report

Independent auditor's report
to the shareholders of C S Properties Limited

We have audited the accounts of CS Properties Limited for the year ended 30 September 2005 which comprise pages 5 to 10. These accounts have been prepared under the historical cost convention as modified to include the revaluation of fixed assets and the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. 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 described in the Statement of Directors' Responsibilities the company's directors are responsible for the preparation of the accounts in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the accounts in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the accounts give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' Report is not consistent with the accounts, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

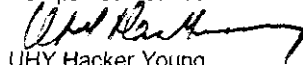
Basis of audit opinion

We conducted our audit in accordance with United Kingdom 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 accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts, 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 accounts 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 accounts.

Opinion

In our opinion the accounts give a true and fair view of the state of the company's affairs as at 30 September 2005 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.


UHY Hacker Young
Chartered Accountants and Registered Auditors

168 Church Road
Hove
East Sussex
BN3 2DL

24 May 2006

C S Properties Limited
Profit and Loss Account
for the year ended 30 September 2005

	Notes	2005 £	2004 £
Turnover	2	-	13,448,401
Net operating expenses	3	(6,587)	(444,841)
Other operating income		-	30,506
Operating (loss)/profit	4	<u>(6,587)</u>	<u>13,034,066</u>
Exceptional items:			
Profit on the disposal of tangible fixed assets	5	-	38,312,601
		<u>(6,587)</u>	<u>51,346,667</u>
Interest receivable		121,804	522,238
Interest payable	6	(2,637,337)	(1,909,403)
(Loss)/profit on ordinary activities before taxation		<u>(2,522,120)</u>	<u>49,959,502</u>
Tax on (loss)/profit on ordinary activities	7	-	-
(Loss)/profit for the financial year		<u>(2,522,120)</u>	<u>49,959,502</u>
Dividends:			
Ordinary dividend on equity shares	8	(3,900,000)	(22,000,000)
Retained (loss)/profit for the financial year	13	<u>(6,422,120)</u>	<u>27,959,502</u>

C S Properties Limited
Statement of total recognised gains and losses
for the year ended 30 September 2005

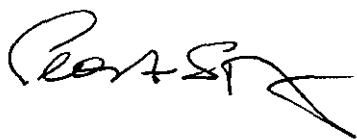
	Notes	2005 £	2004 £
(Loss)/profit for the financial year	13	(2,522,120)	49,959,502
Unrealised deficit on revaluation of properties	12	-	(51,894,660)
Total recognised gains and losses related to the year		<u>(2,522,120)</u>	<u>(1,935,158)</u>

C S Properties Limited
Balance Sheet
as at 30 September 2005

	Notes	2005 £	2004 £
Current assets			
Debtors	9	11,332,827	14,234,861
Cash at bank and in hand		-	4,286,791
		<u>11,332,827</u>	<u>18,521,652</u>
Creditors: amounts falling due within one year	10	(1,750)	(768,455)
Net current assets		<u>11,331,077</u>	<u>17,753,197</u>
		<u>11,331,077</u>	<u>17,753,197</u>
Capital and reserves			
Called up share capital	11	11,258,802	11,258,802
Profit and loss account	13	72,275	6,494,395
Shareholders' funds:			
Equity		<u>11,331,077</u>	<u>17,753,197</u>
	14	<u>11,331,077</u>	<u>17,753,197</u>

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

Mr G A Springer
Director
Approved by the board on 24 May 2006



C S Properties Limited
Notes to the Accounts
for the year ended 30 September 2005

1 Accounting policies

The accounts have been prepared in accordance with applicable accounting standards. A summary of the more important accounting policies which have been consistently applied are given below.

Accounting convention

The accounts have been prepared under the historical cost convention as modified to include the revaluation of fixed assets and in accordance with applicable accounting standards.

Finance costs

Finance costs are amortised over the period of the loan in accordance with FRS4.

Depreciation

Compliance with Statement of Standard Accounting Practice 19 (SSAP 19) "Accounting for Investment Properties" requires departure from the requirements of the Companies Act 1985 relating to depreciation and an explanation for the departure is given below.

Investment properties

In accordance with SSAP 19, investment properties are revalued annually and the surplus or deficit is transferred to the revaluation reserve. No depreciation is provided in respect of investment properties. The Companies Act 1985 requires all properties to be depreciated. However, this requirement conflicts with SSAP 19 and the director considers that to depreciate would not give a true and fair view.

Deferred taxation

Deferred tax is provided in respect of all timing differences that have originated, but not reversed, at the balance sheet date that give rise to an obligation to pay more or less tax in the future.

Deferred tax is not recognised when fixed assets are revalued unless, by the balance sheet date, there is a binding agreement to sell the revalued assets and the gain or loss expected to arise on sale has been recognised in the financial statements.

Deferred tax is measured on a non-discounted basis. A deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Cash flow statement

The company has taken advantage of the exemption permitted by Financial Reporting Standard 1, whereby a cash flow statement need not be prepared by a small company as defined in the Companies Act 1985.

Turnover

Turnover represents rental income net of value added tax.

2 Turnover

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

C S Properties Limited
Notes to the Accounts
for the year ended 30 September 2005

3 Net operating expenses	2005	2004
	£	£
Property expenses	4,837	443,191
Administrative expenses	1,750	1,650
	<u>6,587</u>	<u>444,841</u>
4 Operating profit	2005	2004
	£	£
This is stated after charging:		
Auditors' remuneration	<u>1,750</u>	<u>1,650</u>
5 Exceptional items	2005	2004
	£	£
Profit on disposal of fixed asset	-	38,312,601
6 Interest payable	2005	2004
	£	£
On borrowings	-	1,808,779
Interest rate swap payments and break costs	2,637,337	-
Amortisation of finance costs	-	100,624
	<u>2,637,337</u>	<u>1,909,403</u>
7 Taxation		
No tax is considered payable in the year due to the availability of tax losses for group relief		
8 Equity dividends	2005	2004
	£	£
Equity dividends on ordinary shares - interim paid	<u>3,900,000</u>	<u>22,000,000</u>
9 Debtors	2005	2004
	£	£
Trade debtors	-	191
Amounts owed by group undertakings	11,332,476	14,234,670
Other taxes and social security costs	351	-
	<u>11,332,827</u>	<u>14,234,861</u>
10 Creditors: amounts falling due within one year	2005	2004
	£	£
Accruals and deferred income	<u>1,750</u>	<u>768,455</u>

C S Properties Limited
Notes to the Accounts
for the year ended 30 September 2005

11 Share capital			2005	2004
			£	£
Authorised:				
11,258,900 Ordinary shares of £1 each			<u>11,258,900</u>	<u>11,258,900</u>
	2005	2004	2005	2004
	No	No	£	£
Allotted, called up and fully paid:				
Ordinary shares of £1 each	11,258,802	11,258,802	<u>11,258,802</u>	<u>11,258,802</u>
12 Revaluation reserve			2005	2004
			£	£
At 1 October 2004			-	51,894,660
Arising on revaluation during the year			-	(51,894,660)
At 30 September 2005			<u>-</u>	<u>-</u>
13 Profit and loss account			2005	2004
			£	£
At 1 October 2004			6,494,395	(21,465,107)
Retained (loss)/profit			(6,422,120)	27,959,502
At 30 September 2005			<u>72,275</u>	<u>6,494,395</u>
14 Reconciliation of movement in shareholders' funds			2005	2004
			£	£
At 1 October 2004			17,753,197	41,688,355
(Loss)/profit for the financial year			(2,522,120)	49,959,502
Dividends			(3,900,000)	(22,000,000)
Other recognised gains and losses			-	(51,894,660)
At 30 September 2005			<u>11,331,077</u>	<u>17,753,197</u>

15 Related Party Transactions

The company has taken advantage of the exemption in FRS 8 that transactions do not need to be disclosed with companies 90% or more of whose voting rights are controlled within the group.

16 Parent undertaking

The company is a wholly owned subsidiary of London & Regional Investment Holdings Limited, a company incorporated and registered in England and Wales. The ultimate parent undertaking is Loopsign Limited, a company incorporated in England and Wales. The ultimate controlling parties are I M Livingstone and R J Livingstone through their joint ownership of Loopsign Limited.