

MILERUN LIMITED  
FINANCIAL STATEMENTS  
31 DECEMBER 2005

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# **MILERUN LIMITED**

## **FINANCIAL STATEMENTS**

**YEAR ENDED 31 DECEMBER 2005**

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# **MILERUN LIMITED**

## **OFFICERS AND PROFESSIONAL ADVISERS**

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### **Directors**

Sir Bernard Schreier  
E Lewis  
P A Filer

### **Company secretary**

E Lewis

### **Registered office**

12 York Gate  
Regent's Park  
London  
NW1 4QS

### **Auditors**

Blick Rothenberg  
Chartered Accountants and  
Registered Auditors  
12 York Gate  
Regent's Park  
London, NW1 4QS

# **MILERUN LIMITED**

## **DIRECTORS' REPORT**

**YEAR ENDED 31 DECEMBER 2005**

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The directors present their report and the audited financial statements of the company for the year ended 31 December 2005.

### **Principal activity**

The principal activity of the company during the year was that of property letting.

### **Review of the business and future developments**

The results for the year and the financial position at the year end were as anticipated by the directors who expect the company to maintain a similar level of activity in the foreseeable future.

### **Results and dividends**

The results for the year and the company's financial position at the end of the year are shown in the attached financial statements.

The directors do not recommend a dividend.

It is proposed to transfer the retained profit for the year of £9,817 to reserves.

### **Directors and their interests**

The directors who served the company during the year were as follows:

Sir Bernard Schreier  
E Lewis  
P A Filer

None of the other directors had an interest in the share capital of the company at the beginning and end of the year. Their interest in the share capital of the parent company are shown in the directors' report of that company.

### **Directors' responsibilities**

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

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 for the year then ended.

In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent.

The directors must also prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

# MILERUN LIMITED

## DIRECTORS' REPORT *(continued)*

YEAR ENDED 31 DECEMBER 2005

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### Directors' responsibilities *(continued)*

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. The directors 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.

### Auditors

A resolution to reappoint Blick Rothenberg as auditors for the ensuing year will be proposed at the annual general meeting in accordance with section 385 of the Companies Act 1985.

Signed on behalf of the directors

*Paul Filer*

P A Filer

Director

*13 June 2006*  
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# **MILERUN LIMITED**

## **INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS**

**YEAR ENDED 31 DECEMBER 2005**

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We have audited the financial statements of Milerun Limited for the year ended 31 December 2005 on pages 6 to 10. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's shareholders, 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 shareholders 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 shareholders, 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 financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements 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 financial statements, 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 International Standards on Auditing (UK and Ireland) 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.

# MILERUN LIMITED

## INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS *(continued)*

YEAR ENDED 31 DECEMBER 2005

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### Qualified opinion arising from disagreement on accounting treatment

As stated in note 1.4 investment properties (included in the balance sheet at £121,410) are stated at their historic cost rather than, as required by Statement of Standard Accounting Practice No 19, at their open market values. We are unable to quantify the effect, if any, on reserves and tangible fixed assets of this non-compliance.

Except for the effect on the balance sheet of not including investment properties at their open market value, in our opinion the financial statements:

- give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 December 2005 and of its profit for the year then ended; and
- have been properly prepared in accordance with the Companies Act 1985.

12 York Gate  
Regent's Park  
London, NW1 4QS

15 June 2006



**BLICK ROTHENBERG**  
Chartered Accountants and  
Registered Auditors

**MILERUN LIMITED****PROFIT AND LOSS ACCOUNT****YEAR ENDED 31 DECEMBER 2005**

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	Note	2005 £	2004 £
Turnover	2	16,700	16,070
Administrative expenses		(2,676)	(402)
<b>Profit on ordinary activities before taxation</b>		<b>14,024</b>	<b>15,668</b>
Tax on profit on ordinary activities	4	(4,207)	(4,700)
<b>Retained profit for the financial year</b>		<b><u>9,817</u></b>	<b><u>10,968</u></b>

All of the activities of the company are classed as continuing.

The company has no recognised gains or losses other than the results for the year as set out above.

**MILERUN LIMITED****BALANCE SHEET****31 DECEMBER 2005**

	Note	£	2005 £	£	2004 £
<b>Fixed assets</b>					
Tangible assets	5		121,410		121,410
<b>Current assets</b>					
Debtors	6	258,299		258,296	
Cash at bank		<u>48,313</u>		<u>38,992</u>	
		306,612		297,288	
<b>Creditors: Amounts falling due within one year</b>	7	<u>(6,607)</u>		<u>(7,100)</u>	
<b>Net current assets</b>			<u>300,005</u>		<u>290,188</u>
<b>Total assets less current liabilities</b>			<u>421,415</u>		<u>411,598</u>
<b>Capital and reserves</b>					
Called-up share capital	9		2		2
Profit and loss account	10		<u>421,413</u>		<u>411,596</u>
<b>Shareholders' funds - equity</b>	11		<u>421,415</u>		<u>411,598</u>

These financial statements were approved by the board of directors on 13 June 2006 and are signed on its behalf by:



P A Filer  
Director

# MILERUN LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2005

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### 1. Accounting policies

#### 1.1 Basis of accounting

The financial statements are prepared under the historical cost convention and in accordance with applicable accounting standards except as noted in 1.4 below.

#### 1.2 Turnover

Turnover represents rent receivable during the year.

#### 1.3 Depreciation

The freehold investment property is no longer depreciated. This is in accordance with SSAP 19, "Accounting for Investment Properties" 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.

#### 1.4 Investment properties

Investment properties are stated at cost and not at market value as required by Statement of Standard Accounting Practice No 19. The directors consider that the cost of obtaining a formal valuation would be of no benefit to the members.

#### 1.5 Deferred taxation

Deferred tax is provided in full on timing differences which result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in financial statements. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

### 2. Turnover

The turnover and profit before tax are attributable to the principal activity of the company.

A geographical analysis of turnover is given below:

	2005 £	2004 £
United Kingdom	<u>16,700</u>	<u>16,070</u>

### 3. Particulars of employees

There were no employees during the year apart from the directors.

# MILERUN LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

### YEAR ENDED 31 DECEMBER 2005

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#### 4. Taxation on ordinary activities

	2005 £	2004 £
Current tax:		
UK corporation tax based on the results for the year at 30% (2004: 30%)	<u>4,207</u>	<u>4,700</u>

There is no material difference between the current tax charge on ordinary activities for the period reported in the profit and loss account and the current tax charge that would result from applying a relevant standard rate of tax to the profit on ordinary activities before tax.

#### 5. Tangible fixed assets

	Freehold investment property £
Cost	
At 1 January 2005 and 31 December 2005	<u>144,610</u>
Depreciation	
At 1 January 2005	<u>23,200</u>
At 31 December 2005	<u>23,200</u>
Net book value	
At 31 December 2005	<u>121,410</u>
At 31 December 2004	<u>121,410</u>

#### 6. Debtors

	2005 £	2004 £
Trade debtors	8,058	1,800
Amounts owed by group undertakings	<u>250,241</u>	<u>256,496</u>
	<u>258,299</u>	<u>258,296</u>

#### 7. Creditors: Amounts falling due within one year

	2005 £	2004 £
Trade creditors	2,400	2,400
Corporation tax	<u>4,207</u>	<u>4,700</u>
	<u>6,607</u>	<u>7,100</u>

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# MILERUN LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2005

### 8. Related party transactions and controlling party

The ultimate controlling party is Sir Bernard Schreier.

The immediate controlling party is CP Holdings Limited. The company has taken advantage of the exemption contained in FRS 8 "Related Party Disclosures" from disclosing transactions with entities which are part of the group, since 90% or more of the voting rights in the company are controlled within the group and the company is included within the group accounts which are publicly available.

### 9. Share capital

	2005		2004	
	Number	£	Number	£
<b>Authorised share capital:</b>				
Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>
<b>Called up, allotted and fully paid:</b>				
Ordinary shares of £1 each	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>

### 10. Reserves

	Profit and loss account £
Balance brought forward	411,596
Profit for the year	<u>9,817</u>
Balance carried forward	<u>421,413</u>

### 11. Reconciliation of movements in shareholders' funds

	2005 £	2004 £
Profit for the financial year	9,817	10,968
Opening shareholders' funds	<u>411,598</u>	<u>400,630</u>
Closing shareholders' funds	<u>421,415</u>	<u>411,598</u>

### 12. Parent undertaking

The immediate and ultimate parent undertaking is CP Holdings Limited, a company incorporated in England and Wales. Group financial statements are prepared and available to the public from Companies House, Crown Way, Cardiff, CF14 3UZ.