

**CONSOLIDATED PROPERTY CORPORATION INC.  
LIMITED**

**ABBREVIATED ACCOUNTS**

**YEAR ENDED**

**31ST JULY 2012**



**CONSOLIDATED PROPERTY CORPORATION INC. LIMITED**  
**ABBREVIATED ACCOUNTS**  
**YEAR ENDED 31ST JULY 2012**

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# **CONSOLIDATED PROPERTY CORPORATION INC. LIMITED**

## **INDEPENDENT AUDITOR'S REPORT TO CONSOLIDATED PROPERTY CORPORATION INC. LIMITED**

### **UNDER SECTION 449 OF THE COMPANIES ACT 2006**

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We have examined the abbreviated accounts, together with the financial statements of Consolidated Property Corporation Inc Limited for the year ended 31st July 2012 prepared under Section 396 of the Companies Act 2006

This report is made solely to the company, in accordance with Section 449 of the Companies Act 2006. 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 work, for this report, or for the opinions we have formed.

#### **Respective Responsibilities of Director and Auditor**

The director is responsible for preparing the abbreviated accounts in accordance with Section 444 of the Companies Act 2006. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with the regulations made under that section and to report our opinion to you.

#### **Basis of Opinion**

We conducted our work in accordance with Bulletin 2008/4 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 Section 444(3) of the Companies Act 2006, and the abbreviated accounts have been properly prepared in accordance with the regulations made under that section.

*Bright Grahame Murray*

AHSAN MIRAJ (Senior Statutory Auditor)  
For and on behalf of  
BRIGHT GRAHAME MURRAY  
Chartered Accountants  
& Statutory Auditor

131 Edgware Road  
London  
W2 2AP

24th April 2013

Company Registration Number 2801158

# CONSOLIDATED PROPERTY CORPORATION INC. LIMITED

## ABBREVIATED BALANCE SHEET

31ST JULY 2012

	Note	2012 £	2011 £
<b>Fixed Assets</b>	<b>2</b>		
Tangible assets		26,009,367	22,011,019
Investments		<u>2</u>	<u>3,725,797</u>
		26,009,369	25,736,816
<b>Current Assets</b>			
Debtors	3	12,063,641	7,804,349
Cash at bank and in hand		<u>267,492</u>	<u>322,173</u>
		12,331,133	8,126,522
<b>Creditors: Amounts falling due within one year</b>		<u>10,767,529</u>	<u>454,161</u>
<b>Net Current Assets</b>		<u>1,563,604</u>	<u>7,672,361</u>
<b>Total Assets Less Current Liabilities</b>		<u>27,572,973</u>	<u>33,409,177</u>
<b>Creditors: Amounts falling due after more than one year</b>		-	10,258,080
<b>Provisions for Liabilities</b>		<u>1,952</u>	<u>2,468</u>
		<u>27,571,021</u>	<u>23,148,629</u>
<b>Capital and Reserves</b>			
Called-up equity share capital	4	100	100
Revaluation reserve		24,340,991	20,340,991
Profit and loss account		<u>3,229,930</u>	<u>2,807,538</u>
<b>Shareholders' Funds</b>		<u>27,571,021</u>	<u>23,148,629</u>

These abbreviated accounts have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006

These abbreviated accounts were approved and signed by the director and authorised for issue on

18 APRIL 2013

  
Director

Full name LAURENCE KIRSHEL

Please print in capitals

The notes on pages 3 to 6 form part of these abbreviated accounts.

# **CONSOLIDATED PROPERTY CORPORATION INC. LIMITED**

## **NOTES TO THE ABBREVIATED ACCOUNTS**

**YEAR ENDED 31ST JULY 2012**

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### **1. Accounting Policies**

#### **Basis of Accounting**

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of investment properties, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

The company is reliant on the continued support of its banker. The company's bank loan totalling £10,300,000 is due for repayment in May 2013. The current economic conditions create uncertainty particularly over the availability of bank finance in the foreseeable future.

The director has yet to open renewal negotiations with the bank. The director is not aware of any reason why the bank loan will not be renewed on similar terms.

After making enquiries the members have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, the director continues to adopt the going concern basis in preparing the financial statements.

#### **Consolidation**

In the opinion of the director, the company and its subsidiary undertakings comprise a small group. The company has therefore taken advantage of the exemption provided by Section 398 of the Companies Act 2006 not to prepare group accounts.

#### **Turnover**

Turnover, which is stated net of value added tax, represents rent and service charges receivable.

The turnover was derived from the company's principal activity which was carried out wholly in the United Kingdom.

#### **Depreciation**

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Fixtures & Fittings	- 15% p a on a reducing balance basis
Furniture & Equipment	- 15% p a on a reducing balance basis

# **CONSOLIDATED PROPERTY CORPORATION INC. LIMITED**

## **NOTES TO THE ABBREVIATED ACCOUNTS**

**YEAR ENDED 31ST JULY 2012**

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### **1. Accounting Policies *(continued)***

#### **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 Financial Reporting Standard for Smaller Entities (effective April 2008) which, unlike the Companies Act 2006, 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.

#### **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 have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax, with the following exceptions:

Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold.

Deferred tax assets are recognised only to the extent that the director considers that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences 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.

# CONSOLIDATED PROPERTY CORPORATION INC. LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31ST JULY 2012

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### 1. Accounting Policies *(continued)*

#### Inducement Payments

Cost of operating lease incentives in the form of inducement payments are recognised as a reduction of rental income on a straight line basis over the shorter of the lease term and the period until the rent review date on which the rent is first adjusted to the prevailing market rate

#### Investments

Investments are included at cost less amounts written off

### 2. Fixed Assets

	<b>Tangible Assets £</b>	<b>Investments £</b>	<b>Total £</b>
<b>Cost or Valuation</b>			
At 1st August 2011	22,106,973	3,725,797	25,832,770
Disposals	—	(3,700,000)	(3,700,000)
Revaluation	4,000,000	—	4,000,000
<b>At 31st July 2012</b>	<b>26,106,973</b>	<b>25,797</b>	<b>26,132,770</b>
<b>Depreciation and Amounts Written Off</b>			
At 1st August 2011	95,954	—	95,954
Charge for year	1,652	25,795	27,447
<b>At 31st July 2012</b>	<b>97,606</b>	<b>25,795</b>	<b>123,401</b>
<b>Net Book Value</b>			
<b>At 31st July 2012</b>	<b>26,009,367</b>	<b>2</b>	<b>26,009,369</b>
At 31st July 2011	22,011,019	3,725,797	25,736,816

Investment properties owned by the company have been valued at 31st July 2012 by the director, using an open market value for existing use basis at £22,000,000. The historical cost of freehold land and buildings included at a valuation was £1,659,009.

# CONSOLIDATED PROPERTY CORPORATION INC. LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31ST JULY 2012

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### 2. Fixed Assets *(continued)*

Shares in other undertakings comprised 3,700,000 preference shares of £1 each in Consolidated Developments Limited. During the year these preference shares were redeemed in full.

	Country of incorporation	Share Holding	Proportion Held	Nature of business
<b>Subsidiary undertakings</b>				
Soholistic Limited	England	Ordinary Shares	100%	Property management

In the year ended 31st July 2012 Soholistic Limited made a profit after tax of £37,593 (2011 £47,514). Its aggregate capital and reserves at this date were £113,145 (2011 £75,552).

### 3. Debtors

Debtors include amounts of £3,408,851 (2011 - £3,638,020) falling due after more than one year.

### 4. Share Capital

Allotted, called up and fully paid:

	2012		2011	
	No	£	No	£
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>