

CGMS LIMITED
ABBREVIATED FINANCIAL STATEMENTS
31ST DECEMBER 2009

DALY, HOGGETT & CO.
Chartered Accountants & Statutory Auditor
5-11 Mortimer Street
London
W1T 3HS

SATURDAY



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COMPANIES HOUSE

CGMS LIMITED

ABBREVIATED ACCOUNTS

YEAR ENDED 31ST DECEMBER 2009

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CGMS LIMITED

THE DIRECTORS' REPORT

YEAR ENDED 31ST DECEMBER 2009

The directors have pleasure in presenting their report and the financial statements of the company for the year ended 31st December 2009

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activities of the company during the year were those of planning and environmental consultancy

2009 was the most challenging year which the Company, like many others, has ever faced and as a result of the significant economic downturn we were forced to make significant cost savings. The savings included redundancies, as well as selective salary sacrifices, suspension of the pension scheme, an overall freeze on pay, as well as central cost savings achieved through renegotiating supplier contracts. For cash flow reasons redundancies were achieved through staff being placed on gardening leave which meant carrying significant unproductive costs for the year. The total cost of unproductive staff on gardening leave and redundancies for the year was almost £250,000. Even with these costs the loss for the year was only slightly higher than in 2008 and if these costs are added back the company would have made a profit before tax of £107,000. This was a remarkable achievement relative to the overall reduction in business activity. As a result of the considerable cost savings we have achieved this has meant that the financial break even monthly fee target which we have set ourselves for 2010, is now much reduced and more realistic in the context of the new level of business activity.

Our objective in steering a course through these difficult times has always been to ensure that as a business we remain well positioned to take advantage of any improvement in economic conditions as and when they occur by retaining the maximum number of staff. This has been achieved by taking a balanced approach to cost cutting consistent with the reduced level of business activity which fell by some £2.5 million (net fee income) in 2009 compared to the previous year. We could have cut costs earlier and much further involving a far greater number of redundancies in order to make a quick return to profitability, but we feel that would have been the wrong approach and as a private company we have that flexibility. In our view the best way forward will be achieved by continuing to retain all existing parts of the core business in planning, historic buildings and archaeology.

We will continue to closely monitor the financial position and take whatever action is necessary to ensure the company remains financially sound. The success of the company is a reflection of the people it employs and it goes without saying that it has only been achieved through the considerable efforts of everyone. The Board would therefore like to thank all staff for their continued support, commitment and endeavours in ensuring that we remain a successful business. We have experienced a successful first quarter of 2010 with a return to profitability and move forward in 2010 with cautious optimism.

RESULTS AND DIVIDENDS

The trading 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 have not recommended a dividend.

THE DIRECTORS AND THEIR INTERESTS IN SHARES OF THE COMPANY

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

P CHADWICK
K GOODWIN
E MORTIMER
J STOCKDALE

DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Directors' 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 the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they 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 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,

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

CGMS LIMITED

THE DIRECTORS' REPORT *(continued)*

YEAR ENDED 31ST DECEMBER 2009

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and 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.

In so far as the directors are aware

- there is no relevant audit information of which the company's auditor is unaware, and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Registered office
5 - 11 Mortimer Street
London
W1T 3HS

Signed by order of the directors



KEVIN ROY GOODWIN
Company Secretary

Approved by the directors on 4/4/10

CGMS LIMITED

INDEPENDENT AUDITOR'S REPORT TO CGMS LIMITED

UNDER SECTION 449 OF THE COMPANIES ACT 2006

We have examined the abbreviated accounts, together with the financial statements of CgMs Limited for the year ended 31st December 2009 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 DIRECTORS AND AUDITOR

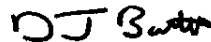
The directors are responsible for preparing the abbreviated accounts in accordance with Section 445 of the Companies Act 2006. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts to the Registrar of Companies and whether the abbreviated 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 445(3) of the Companies Act 2006, and the abbreviated accounts have been properly prepared in accordance with the regulations made under that section.



DAVID BARTLETT, FCA (Senior
Statutory Auditor)
For and on behalf of
DALY, HOGGETT & CO
Chartered Accountants
& Statutory Auditor

5-11 Mortimer Street
London
W1T 3HS

4/4/10

CGMS LIMITED

ABBREVIATED PROFIT AND LOSS ACCOUNT

YEAR ENDED 31ST DECEMBER 2009

	Note	2009 £	2008 £
TURNOVER		9,273,116	13,119,036
Cost of sales		<u>6,678,878</u>	<u>9,570,791</u>
GROSS PROFIT		2,594,238	3,548,245
Administrative expenses		<u>2,708,982</u>	<u>3,506,741</u>
OPERATING (LOSS)/PROFIT	2	(114,744)	41,504
Other provisions		<u>-</u>	<u>(152,255)</u>
		(114,744)	(110,751)
Interest receivable		<u>179</u>	<u>7,411</u>
Interest payable and similar charges	4	(27,965)	(33,735)
		<u>-</u>	<u>-</u>
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(142,530)	(137,075)
Tax on loss on ordinary activities	5	(23,795)	(33,579)
		<u>-</u>	<u>-</u>
LOSS FOR THE FINANCIAL YEAR		(118,735)	(103,496)

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

The notes on pages 6 to 11 form part of these abbreviated accounts.

CGMS LIMITED

ABBREVIATED BALANCE SHEET

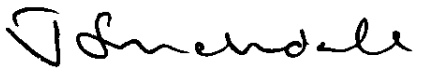
31ST DECEMBER 2009

	Note	£	2009	£	£	2008	£
FIXED ASSETS							
Intangible assets	7			74,400			111,600
Tangible assets	8			91,949			172,772
				<u>166,349</u>			<u>284,372</u>
CURRENT ASSETS							
Stocks	9		340,501		264,123		
Debtors	10		1,606,798		3,109,702		
Cash at bank			117,968		35,057		
			<u>2,065,267</u>		<u>3,408,882</u>		
CREDITORS: Amounts falling due within one year	11		1,799,110		3,142,013		
NET CURRENT ASSETS				<u>266,157</u>			<u>266,869</u>
TOTAL ASSETS LESS CURRENT LIABILITIES				<u>432,506</u>			<u>551,241</u>
CAPITAL AND RESERVES							
Called-up equity share capital	13			114,000			114,000
Share premium account	14			18,000			18,000
Capital Redemption Reserve	15			139,000			139,000
Profit and loss account	16			161,506			280,241
SHAREHOLDERS' FUNDS	17			<u>432,506</u>			<u>551,241</u>

These abbreviated financial statements have been prepared in accordance with the special provisions for medium-sized companies under section 445(3) of the Companies Act 2006

These abbreviated accounts were approved by the directors and authorised for issue on 4/4/10, and are signed on their behalf by


E MORTIMER


J STOCKDALE

The notes on pages 6 to 11 form part of these abbreviated accounts.

CGMS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31ST DECEMBER 2009

1. ACCOUNTING POLICIES

(a) Basis of accounting

The financial statements have been prepared under the historical cost convention

(b) Cash flow statement

The directors have taken advantage of the exemption in Financial Reporting Standard No 1 (Revised 1996) from including a cash flow statement in the financial statements on the grounds that the company is small

(c) Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax

(d) Amortisation

Amortisation 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

Goodwill	5 Years Straight Line
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(e) Fixed assets

All fixed assets are initially recorded at cost

(f) 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

Leasehold Property Improvements	6 Years Straight Line
Plant & Machinery	3 Years Straight Line
Fixtures & Fittings	5 Years Straight Line
Computer Equipment	3 Years Straight Line

(g) Work in progress

Work in progress is valued on the basis of direct costs plus attributable overheads based on normal level of activity. Provision is made for any foreseeable losses where appropriate. No element of profit is included in the valuation of work in progress

(h) Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease

(i) Pension costs

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account

(j) 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

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

(k) 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

CGMS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31ST DECEMBER 2009

2. OPERATING (LOSS)/PROFIT

Operating (loss)/profit is stated after charging

	2009	2008
	£	£
Directors' remuneration	-	-
Amortisation of intangible assets	37,200	95,948
Depreciation of owned fixed assets	87,839	108,053
Auditor's remuneration		
- as auditor	12,000	12,000
Operating lease costs		
- Plant and equipment	102,468	96,547
- Motor vehicles	47,907	68,986

Motor vehicles

3. PARTICULARS OF EMPLOYEES

The average number of staff employed by the company during the financial year amounted to

	2009	2008
	No	No
Number of staff	86	119

The aggregate payroll costs of the above were

	2009	2008
	£	£
Wages and salaries	4,226,793	4,923,160
Social security costs	439,221	534,631
Other pension costs	133,707	115,510
	4,799,721	5,573,301

4. INTEREST PAYABLE AND SIMILAR CHARGES

	2009	2008
	£	£
Interest payable on bank borrowing	21,531	33,735
Other similar charges payable	6,434	-
	27,965	33,735

CGMS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31ST DECEMBER 2009

5. TAXATION ON ORDINARY ACTIVITIES

(a) Analysis of charge in the year

	2009 £	2008 £
Current tax:		
In respect of the year		
UK Corporation tax based on the results for the year at 28% (2008 - 25 13%)	(23,645)	(19,240)
Over/under provision in prior year	(150)	(11,069)
Total current tax	(23,795)	(30,309)
Deferred tax:		
Origination and reversal of timing differences		
Capital allowances	-	(3,270)
Tax on loss on ordinary activities	(23,795)	(33,579)

(b) Factors affecting current tax charge

The tax assessed on the loss on ordinary activities for the year is higher than the standard rate of corporation tax in the UK of 28% (2008 - 25 13%)

	2009 £	2008 £
Loss on ordinary activities before taxation	(142,530)	(137,075)
Loss on ordinary activities by rate of tax	(39,908)	(34,447)
Expenses not deductible for tax purposes	7,330	10,175
Depreciation for period in excess of capital allowances	8,933	5,032
Adjustment to tax charge in respect of previous periods	(150)	(11,069)
Total current tax (note 5(a))	(23,795)	(30,309)

6. DIVIDENDS

Equity dividends

	2009 £	2008 £
Paid	-	85,500
Equity dividends on ordinary shares	-	85,500

CGMS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31ST DECEMBER 2009

7. INTANGIBLE FIXED ASSETS

	Goodwill £
COST	
At 1st January 2009 and 31st December 2009	<u>485,000</u>
AMORTISATION	
At 1st January 2009	373,400
Charge for the year	<u>37,200</u>
At 31st December 2009	<u>410,600</u>
NET BOOK VALUE	
At 31st December 2009	<u>74,400</u>
At 31st December 2008	<u>111,600</u>

8. TANGIBLE FIXED ASSETS

	Leasehold Property Improvements £	Plant & Machinery £	Fixtures & Fittings £	Equipment £	Total £
COST					
At 1 January 2009	120,937	67,491	277,490	261,421	727,339
Additions	-	-	-	7,016	7,016
At 31 December 2009	<u>120,937</u>	<u>67,491</u>	<u>277,490</u>	<u>268,437</u>	<u>734,355</u>
DEPRECIATION					
At 1 January 2009	82,758	55,718	193,495	222,596	554,567
Charge for the year	<u>20,157</u>	<u>6,876</u>	<u>30,871</u>	<u>29,935</u>	<u>87,839</u>
At 31 December 2009	<u>102,915</u>	<u>62,594</u>	<u>224,366</u>	<u>252,531</u>	<u>642,406</u>
NET BOOK VALUE					
At 31 December 2009	<u>18,022</u>	<u>4,897</u>	<u>53,124</u>	<u>15,906</u>	<u>91,949</u>
At 31 December 2008	<u>38,179</u>	<u>11,773</u>	<u>83,995</u>	<u>38,825</u>	<u>172,772</u>

9. STOCKS

	2009 £	2008 £
Work in progress	<u>340,501</u>	<u>264,123</u>

10. DEBTORS

	2009 £	2008 £
Trade debtors	1,378,623	2,833,827
Corporation tax repayable	16,281	19,240
Other debtors	35,676	61,240
Prepayments and accrued income	<u>176,218</u>	<u>195,395</u>
	<u>1,606,798</u>	<u>3,109,702</u>

CGMS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31ST DECEMBER 2009

11. CREDITORS: Amounts falling due within one year

	2009 £	2008 £
Overdrafts	504,551	851,281
Trade creditors	733,564	1,372,081
Amounts owed to group undertakings	40,999	165,298
PAYE and social security	116,402	161,472
VAT	239,992	197,625
Other creditors	9,627	6,701
Accruals and deferred income	153,975	387,555
	<u>1,799,110</u>	<u>3,142,013</u>

The bank overdraft has been secured by the company

12. COMMITMENTS UNDER OPERATING LEASES

At 31st December 2009 the company had annual commitments under non-cancellable operating leases as set out below

	2009		2008	
	Land and buildings £	Other Items £	Land and buildings £	Other Items £
Operating leases which expire				
Within 1 year	-	1,927	-	7,925
Within 2 to 5 years	<u>339,010</u>	<u>227,352</u>	<u>343,462</u>	<u>126,933</u>
	<u>339,010</u>	<u>229,279</u>	<u>343,462</u>	<u>134,858</u>

13. SHARE CAPITAL

Authorised share capital:

	2009 £	2008 £
225,000 Ordinary shares of £1 each	225,000	225,000
150,000 Undesignated shares of £1 each	<u>150,000</u>	<u>150,000</u>
	<u>375,000</u>	<u>375,000</u>

Allotted, called up and fully paid:

	2009		2008	
	No	£	No	£
Ordinary shares of £1 each	<u>114,000</u>	<u>114,000</u>	<u>114,000</u>	<u>114,000</u>

14. SHARE PREMIUM ACCOUNT

There was no movement on the share premium account during the financial year

15. CAPITAL REDEMPTION RESERVE

	2009 £	2008 £
Capital redemption reserve	<u>139,000</u>	<u>139,000</u>

16. PROFIT AND LOSS ACCOUNT

	2009 £	2008 £
Balance brought forward	280,241	469,237
Loss for the financial year	(118,735)	(103,496)
Equity dividends	-	(85,500)
Balance carried forward	<u>161,506</u>	<u>280,241</u>

CGMS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31ST DECEMBER 2009

17. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2009	2008
	£	£
Loss for the financial year	(118,735)	(103,496)
Equity dividends	-	(85,500)
Net reduction to shareholders' funds	(118,735)	(188,996)
Opening shareholders' funds	551,241	740,237
Closing shareholders' funds	432,506	551,241

18. ULTIMATE PARENT COMPANY

The company's ultimate holding company is CgMs Holdings Limited, a company incorporated in England and Wales