
CES PROPERTIES (HEMEL HEMPSTEAD) LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2010

WEDNESDAY



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COMPANIES HOUSE

CES PROPERTIES (HEMEL HEMPSTEAD) LIMITED

COMPANY INFORMATION

DIRECTORS

R S Frischmann
J E Frischmann
J K Fowler

COMPANY SECRETARY

J K Fowler

COMPANY NUMBER

02997640

REGISTERED OFFICE

4 Manchester Square
London
W1A 1AU

AUDITORS

Berg Kaprow Lewis LLP
Chartered Accountants & Statutory Auditor
35 Ballards Lane
London
N3 1XW

CES PROPERTIES (HEMEL HEMPSTEAD) LIMITED

CONTENTS

	Page
Directors' Report	1 - 2
Independent Auditors' Report	3 - 4
Profit and Loss Account	5
Balance Sheet	6
Notes to the Financial Statements	7 - 10

CES PROPERTIES (HEMEL HEMPSTEAD) LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2010

The directors present their report and the financial statements for the year ended 31 March 2010

PRINCIPAL ACTIVITIES

The principal activity of the company continued to be that of property investment

DIRECTORS

The directors who served during the year were

R S Frischmann
J E Frischmann
J K Fowler

GOING CONCERN

The directors confirm that they are satisfied the company has adequate resources to continue in business for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the accounts

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Annual 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). The financial statements are required by law to 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 are required to

- select suitable accounting policies and then apply them consistently,
- make judgments and estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business

The directors are responsible for keeping adequate accounting records that 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

CES PROPERTIES (HEMEL HEMPSTEAD) LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2010**

PROVISION OF INFORMATION TO AUDITORS

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that

- so far as that director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the company's auditors in connection with preparing their report and to establish that the company's auditors are aware of that information

AUDITORS

Under section 487 of the Companies Act 2006, Berg Kaprow Lewis LLP will be deemed to have been reappointed as auditor(s) 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier

The report of the directors has been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006

This report was approved by the board and signed on its behalf



**R S Frischmann
Director**

Date 29/12/2010

CES PROPERTIES (HEMEL HEMPSTEAD) LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF CES PROPERTIES (HEMEL HEMPSTEAD) LIMITED

We have audited the financial statements of CES Properties (Hemel Hempstead) Limited for the year ended 31 March 2010, set out on pages 5 to 10. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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 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 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 explained more fully in the Statement of Directors' Responsibilities, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements.

QUALIFIED OPINION ARISING FROM DISAGREEMENT ABOUT ACCOUNTING TREATMENT

The company follows the policy of including investment properties in the Balance Sheet at cost. This is not in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008) which requires that such properties be included at open market value. Any surplus or deficit arising from a valuation would increase or decrease, respectively, the amounts shown in the Balance Sheet for investment properties and revaluation reserve. In absence of a valuation being made of the company's investment properties it is not practical to quantify the effect of the departure.

Except for the failure to account for investment properties as required by Financial Reporting Standard for Smaller Entities (effective April 2008), in our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 March 2010 and of its loss for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

CES PROPERTIES (HEMEL HEMPSTEAD) LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF CES PROPERTIES (HEMEL HEMPSTEAD) LIMITED

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit, or
- the directors were not entitled to prepare the financial statements and the Directors' Report in accordance with the small companies regime

Berg Kaprow Lewis LLP

Brian J Wolkind FCA (Senior Statutory Auditor)

for and on behalf of

BERG KAPROW LEWIS LLP

Chartered Accountants
Statutory Auditor

London

Date *29/12/2010*

CES PROPERTIES (HEMEL HEMPSTEAD) LIMITED

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2010**

	Note	2010 £	2009 £
TURNOVER	1	98,061	134,810
Administrative expenses		<u>(1,337,153)</u>	<u>(1,371,503)</u>
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(1,239,092)	(1,236,693)
Tax on loss on ordinary activities	3	<u>-</u>	<u>-</u>
LOSS FOR THE FINANCIAL YEAR	8	<u>(1,239,092)</u>	<u>(1,236,693)</u>

The notes on pages 7 to 10 form part of these financial statements

CES PROPERTIES (HEMEL HEMPSTEAD) LIMITED
REGISTERED NUMBER: 02997640

BALANCE SHEET
AS AT 31 MARCH 2010

	Note	£	2010 £	£	2009 £
FIXED ASSETS					
Investment property	4		1,030,958		1,030,958
CURRENT ASSETS					
Debtors	5	587,016		1,648,216	
CREDITORS amounts falling due within one year	6	(2,939,411)		(2,761,519)	
NET CURRENT LIABILITIES			(2,352,395)		(1,113,303)
TOTAL ASSETS LESS CURRENT LIABILITIES			(1,321,437)		(82,345)
CAPITAL AND RESERVES					
Called up share capital	7		100		100
Profit and loss account	8		(1,321,537)		(82,445)
SHAREHOLDERS' DEFICIT			(1,321,437)		(82,345)

The financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006 and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

The financial statements were approved and authorised for issue by the board and were signed on its behalf on

29/12/2010



R S Frischmann
Director

The notes on pages 7 to 10 form part of these financial statements

CES PROPERTIES (HEMEL HEMPSTEAD) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2010

1. ACCOUNTING POLICIES

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

The company's financial statements have shown recurring operating losses for the past few years. The financial statements have been prepared on a going concern basis as in the opinion of the directors the company will receive continued support from its banker and creditors for the foreseeable future and that all debts are fully recoverable.

1.2 TURNOVER AND REVENUE RECOGNITION

Turnover represents rent receivable and service charges net of value added tax.

1.3 INVESTMENT PROPERTIES

The Financial Reporting Standard for Smaller Entities (effective April 2008) requires all investment properties to be revalued annually. However, the properties are stated in the Balance Sheet at cost, as in the opinion of the directors this is a more prudent policy. The directors are satisfied that the properties have a current open market value of at least their historical cost.

Investment properties are included in the balance sheet at cost and are not depreciated. This treatment is contrary to the Companies Act 2006 which states that fixed assets should be depreciated. In the opinion of the directors, this treatment is necessary in order to give a true and fair view of the financial position of the company.

1.4 DEFERRED TAXATION

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if 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.

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are not discounted.

CES PROPERTIES (HEMEL HEMPSTEAD) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2010**

2. LOSS

The loss is stated after charging

	2010 £	2009 £
Auditors' remuneration	<u>3,230</u>	<u>3,230</u>

During the year, no director received any emoluments (2009 - £NIL)

3. TAXATION

On the basis of these financial statements, no provision has been made for corporation tax

The company has estimated losses of £1,020,000 (2009 £1,019,000) available for carry forward against future trading profits

4. INVESTMENT PROPERTY

	Freehold property £
COST	
At 1 April 2009 and 31 March 2010	<u>1,030,958</u>

5. DEBTORS

	2010 £	2009 £
Amounts owed by group undertakings	585,492	1,397,079
Other debtors	1,524	251,137
	<u>587,016</u>	<u>1,648,216</u>

CES PROPERTIES (HEMEL HEMPSTEAD) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2010**

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

	2010 £	2009 £
Trade creditors	32,477	25,563
Amounts owed to group undertakings	2,594,104	2,668,381
Social security and other taxes	3,635	-
Other creditors	309,195	67,575
	<u>2,939,411</u>	<u>2,761,519</u>

7. SHARE CAPITAL

	2010 £	2009 £
ALLOTTED, CALLED UP AND FULLY PAID		
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>

8. RESERVES

	Profit and loss account £
At 1 April 2009	(82,445)
Loss for the year	(1,239,092)
At 31 March 2010	<u>(1,321,537)</u>

9. OPERATING LEASE COMMITMENTS

At 31 March 2010 the company had annual commitments under non-cancellable operating leases as follows

	2010 £	2009 £
EXPIRY DATE:		
Between 2 and 5 years	<u>-</u>	<u>1,052,500</u>

10. DIRECTORS' BENEFITS: ADVANCES, CREDIT AND GUARANTEES

During the year the directors, R S Frischmann and J E Frischmann were constituent partners of CES Properties. The partnership provided working capital finance to the company and the amount due to the partnership as at 31 March 2010 was £216,471 (2009 £Nil)

CES PROPERTIES (HEMEL HEMPSTEAD) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2010**

11. RELATED PARTY TRANSACTIONS

During the year the directors, R S Frischmann and J E Frischmann were also directors of the Sandor Property Management Services Limited, CES Properties (Dorking) Limited and CES Properties (Ickenham) Limited. The company provide / receive finance to / from its fellow subsidiary undertakings and the net balance due to these undertakings at 31 March 2010 was £2,008,611 (2009 £1,271,302)

12. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The ultimate parent company is Sandor Holdings Limited, a company registered in England and Wales

CES PROPERTIES (HEMEL HEMPSTEAD) LIMITED

**DETAILED TRADING AND PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2010**

	2010 £	2009 £
Turnover	98,061	134,810
Less: Overheads		
Administration expenses	(1,337,153)	(1,371,503)
Loss for the year	(1,239,092)	(1,236,693)

CES PROPERTIES (HEMEL HEMPSTEAD) LIMITED

**SCHEDULE TO THE DETAILED ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2010**

	2010	2009
	£	£
Turnover		
Rent receivable	95,000	<i>95,000</i>
Recharges	3,061	<i>39,310</i>
Other income - UK	-	<i>500</i>
	98,061	<i>134,810</i>

	2010	2009
	£	£
Administration expenses		
Telephone and fax	1,422	<i>1,202</i>
Advertising and promotion	-	<i>3,950</i>
Legal and professional	490	<i>6,070</i>
Auditors' remuneration	3,230	<i>3,230</i>
Bank charges	61	<i>125</i>
Sundry expenses	-	<i>2,569</i>
Rent - operating leases	1,035,199	<i>1,052,500</i>
Rates	214	<i>161</i>
Light and heat	54,159	<i>62,558</i>
Security	63,863	<i>111,705</i>
Agents and services charges	14,250	<i>14,250</i>
Insurances	23,876	<i>26,172</i>
Repairs and maintenance	140,389	<i>87,011</i>
	1,337,153	<i>1,371,503</i>