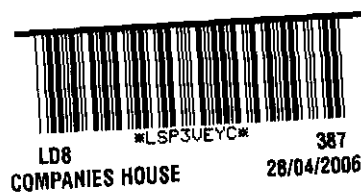


Registered number
04220086

C.G.I.S. City Plaza Shares Limited

Directors' Report and Accounts

30 June 2005



C.G.I.S. City Plaza Shares Limited
Report and accounts
Contents

	Page
Directors' report	1
Statement of directors' responsibilities	2
Independent auditors' report	3
Profit and loss account	4
Statement of total recognised gains and losses	5
Balance sheet	6
Notes to the accounts	7 - 12

C.G.I.S. City Plaza Shares Limited
Directors' Report

The directors present their annual report and the audited financial statements for the year ended 30 June 2005.

Principal activities

The company's principal activity during the year continued to be property investment.

The company owns the beneficial interest in the property but not the legal title which is owned by C.G.I.S City Plaza Shares 1 Limited and C.G.I.S City Plaza Shares 2 Limited, which are both subsidiary undertakings.

Results and dividends

The results for the year and the amount proposed to be transferred to reserves are shown in the profit and loss account on page 4.

The directors do not recommend the payment of a final dividend.

Directors

The directors who served during the year and their interests in the share capital of the company were as follows:

T S Cole
S R Collins
M N Steinberg

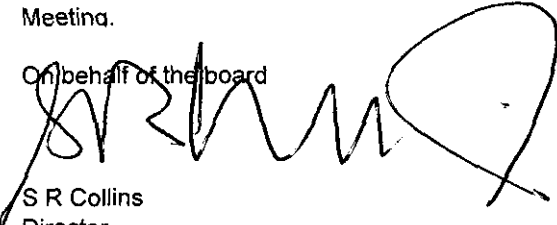
None of the directors have any interest in the share capital of the company.

The directors' interest in the shares of the intermediate holding company, C.G.I.S Group Limited, are disclosed in the accounts of that company.

Auditors

In accordance with section 384 of the Companies Act 1985, a resolution to re-appoint KPMG Audit Plc as auditors of the company is to be proposed at the forthcoming Annual General Meeting.

On behalf of the board


S R Collins
Director

10 Upper Berkeley Street
London
W1H 7PE

26 April 2006

C.G.I.S. City Plaza Shares Limited
Statement of Directors' Responsibilities

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 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;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 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 accounts comply with the Companies Act 1985. They have general responsibility for taking such steps as are reasonably open to them to safeguarding the assets of the company and to prevent and detect fraud and other irregularities.

The above statement should be read in conjunction with the statement of auditors' responsibilities set out in the audit report on page 3.

KPMG Audit Plc
8 Salisbury Square
London EC4Y 8BB
United Kingdom

Report of the independent auditors to the member of C.G.I.S. City Plaza Shares Limited

We have audited the financial statements on pages 4 to 12.

This report is made solely to the company's member, 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 member 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 member as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

The directors are responsible for the preparing the directors' report and as described on page 2, the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and by our profession's ethical guidance.

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.

Basis of audit opinion

We conducted our audit in accordance with 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 financial statements. It also includes an assessment of the significant estimates and judgements 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.

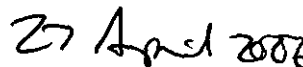
We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

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



KPMG Audit Plc
Chartered Accountants
Registered Auditor



C.G.I.S. City Plaza Shares Limited
Profit and Loss Account
for the year ended 30 June 2005

	Notes	2005 £	2004 £
Turnover	2	1,659,502	1,651,549
Cost of sales		(794,450)	(458,620)
Gross profit		865,052	1,192,929
Administrative expenses		(931)	(693)
Operating profit		864,121	1,192,236
Interest receivable		238	238
Interest payable	5	(864,359)	(1,192,474)
Profit on ordinary activities before taxation		-	-
Tax on loss on ordinary activities	6	(8,888)	(11,851)
Retained loss for the financial year	14	<u>(8,888)</u>	<u>(11,851)</u>

All the above results relate to continuing activities.

There is no difference between the result as stated and those prepared on the historical cost basis.

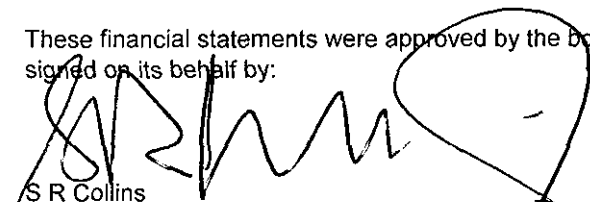
C.G.I.S. City Plaza Shares Limited
Statement of total recognised gains and losses
for the year ended 30 June 2005

	Notes	2005 £	2004 £
Loss for the financial year		(8,888)	(11,851)
Unrealised (deficit)/surplus on revaluation of properties	7	(22,764)	2,237,826
Total recognised gains and losses related to the year		<u>(31,652)</u>	<u>2,225,975</u>

C.G.I.S. City Plaza Shares Limited
Balance Sheet
as at 30 June 2005

	Notes	2005 £	2004 £
Fixed assets			
Tangible assets	7	24,750,000	24,750,000
Investments	8	2	2
		24,750,002	24,750,002
Current assets			
Debtors	9	230,350	226,380
Creditors: amounts falling due within one year	10	(21,047,412)	(21,020,678)
Net current liabilities		(20,817,062)	(20,794,298)
Total assets less current liabilities		3,932,940	3,955,704
Provisions for liabilities and charges			
Deferred taxation	11	(50,775)	(41,887)
Net assets		<u>3,882,165</u>	<u>3,913,817</u>
Capital and reserves			
Called up share capital	12	1	1
Revaluation reserve	13	3,539,018	3,561,782
Profit and loss account	14	343,146	352,034
Equity Shareholder's funds	15	<u>3,882,165</u>	<u>3,913,817</u>

These financial statements were approved by the board of directors on 26 April 2006 and were signed on its behalf by:


 S R Collins
 Director

C.G.I.S. City Plaza Shares Limited
Notes to the Accounts
for the year ended 30 June 2005

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements except as noted below.

Accounting convention

The financial statements have been prepared under the historical cost accounting rules, modified to include the revaluation of land and buildings, and in accordance with applicable accounting standards, except for the non-depreciation of certain fixed assets as referred to below.

Properties

Investment properties are included in the balance sheet at their open market value at the balance sheet date on the basis of an annual professional valuation. Surpluses or deficits arising on valuation are transferred to a revaluation reserve. Impairment in the value of properties to below their carrying values are charged directly to the profit and loss account.

Additions to investment properties include only costs of a capital nature.

In accordance with SSAP 19 (as amended) no depreciation or amortisation is provided in respect of freehold and leasehold investment properties. This treatment of the Group's investment properties, is a departure from the requirements of Companies Act 1985 concerning depreciation of fixed assets. However, these properties are not held for consumption but for investment and the Directors consider that systematic annual depreciation would be inappropriate. The accounting policy adopted is necessary for the accounts to give a true and fair view. Depreciation or amortisation is only one of the factors reflected in annual valuation, and the amount which might otherwise be shown, cannot be separately identified or quantified.

Group accounts

The company is exempt by virtue of s228 of the Companies Act 1985 from the requirement to prepare group accounts. These financial statements present information about the company as an individual undertaking and not about its group.

Cashflow statement

The cash flow statement included in the consolidated financial statements of the intermediate holding company, C.G.I.S. Group Limited, complies with the conditions of Financial Reporting Standard No.1 (revised 1996) 'Cash flow statements' (FRS1). The company therefore is exempt under FRS1 from the requirement to prepare a separate cash flow statement.

Related party transactions

As the company is a wholly owned subsidiary of C.G.I.S. Group Limited, it has taken advantage of the exemption contained in Financial Reporting Standard 8 and has therefore not disclosed transactions or balances which form part of the group (or investees of the group qualifying as related parties).

C.G.I.S. City Plaza Shares Limited
Notes to the Accounts
for the year ended 30 June 2005

Deferred taxation

Deferred tax is provided in respect of all timing differences that have originated but not reversed at the balance sheet date where an event has occurred that results in an obligation to pay more or less tax in the future, except that:

- a. provision is not made in respect of property revaluation surpluses unless an unconditional sales agreement has been signed and rollover relief is not available to cover any gain arising; and
- b. deferred tax assets are recognised only to the extent that it is more likely than not that there will be suitable taxable profits from which the future reversal of the relevant timing differences can be deducted.

Deferred tax is measured on a non discounted basis at the tax rates which apply at the balance sheet date.

2 Turnover

Turnover, which is stated net of value added tax, includes rents receivable and the invoiced value of other sales from operations within the United Kingdom.

3 Staff numbers and costs

Except for the directors, there were no persons employed by the company during the year (2004: Nil). The directors received no remuneration for their services to the the company (2004: Nil).

4 Auditors' remuneration

The auditors' remuneration has been borne by its intermediate parent company, C.G.I.S. Group Limited.

5 Interest payable

	2005	2004
	£	£
Other loans	862,329	1,191,091
Other interest	2,030	1,383
	<u>864,359</u>	<u>1,192,474</u>

Interest on intercompany loans is charged annually in arrears at bank base rate plus 3.25%. However, where this would result in a loss arising in the subsidiary company's accounts, the amount of interest charged is constrained to the funds available in that subsidiary company, such that neither a gain or a loss arises in its accounts.

C.G.I.S. City Plaza Shares Limited
Notes to the Accounts
for the year ended 30 June 2005

6 Taxation

	2005	2004
	£	£
UK corporation tax at 30% (2004: 30%)	-	-
Deferred taxation current year	8,888	11,851
Total corporation tax and similar charges for the period	<u>8,888</u>	<u>11,851</u>

Current taxation reconciliation

	2005	2004
	£	£
Profit on ordinary activities before taxation	<u>-</u>	<u>-</u>
UK corporation tax at 30% (2004: 30%) on profits before tax	-	-
Lease premiums not taxable	(38,957)	(100,368)
Capital allowances and IBAs	(8,888)	(11,851)
Permanently disallowable expenditure	18,230	12,433
Tax losses to group companies	29,615	99,786
	<u>-</u>	<u>-</u>

C.G.I.S. City Plaza Shares Limited
Notes to the Accounts
for the year ended 30 June 2005

7 Tangible fixed assets

	Investment Properties
	Freehold land and buildings £
Valuation	
At 1 July 2004	24,750,000
Additions	22,764
Deficit on revaluation	(22,764)
At 30 June 2005	<u>24,750,000</u>
Net book value	
At 30 June 2005	<u>24,750,000</u>
At 30 June 2004	<u>24,750,000</u>

Freehold land and buildings:	2005	2004
	£	£
Historical cost	<u>21,103,849</u>	<u>21,081,085</u>

The company owns the beneficial interest in the property but not the legal title which is owned by C.G.I.S City Plaza Shares 1 Limited and C.G.I.S City Plaza Shares 2 Limited, which are both subsidiary undertakings.

The company's property has been valued as at 30 June 2005 by the Group's independent external valuer, DTZ Debenham Tie Leung.

8 Investments

	Investments in subsidiary undertakings
	£
Cost	
At 1 July 2004	2
At 30 June 2005	<u>2</u>

Company	Shares held	
	Class	%
C.G.I.S City Plaza Shares 1 Limited	Ordinary	100
C.G.I.S City Plaza Shares 2 Limited	Ordinary	100

All subsidiary companies were dormant through out the year and are registered in England and Wales.

C.G.I.S. City Plaza Shares Limited
Notes to the Accounts
for the year ended 30 June 2005

9 Debtors	2005	2004
	£	£
Trade debtors	86,552	141,448
Amounts owed by group undertakings	1	1
Other debtors	95,419	58,959
Prepayments and accrued income	48,378	25,972
	<u>230,350</u>	<u>226,380</u>

10 Creditors: amounts falling due within one year	2005	2004
	£	£
Trade creditors	334,287	494,338
Amounts owed to group undertakings	18,374,190	18,374,190
Other taxes and social security costs	91,415	66,538
Other creditors	1,960,742	1,646,664
Accruals and deferred income	286,778	438,948
	<u>21,047,412</u>	<u>21,020,678</u>

11 Provisions for liabilities and charges		
Deferred taxation	2005	2004
	£	£
At 1 July	41,887	30,036
Charged to the profit and loss account	8,888	11,851
At 30 June	<u>50,775</u>	<u>41,887</u>

Deferred taxation provided in the accounts and the amounts not provided are as follows:

	Provided	Unprovided	Provided	Unprovided
	2005	2005	2004	2004
	£	£	£	£
Short term timing differences, including accelerated capital allowances	50,775	-	41,887	-
Potential tax on property value gain/deficit	-	1,061,705	-	1,068,535
	<u>50,775</u>	<u>1,061,705</u>	<u>41,887</u>	<u>1,068,535</u>

C.G.I.S. City Plaza Shares Limited
Notes to the Accounts
for the year ended 30 June 2005

12 Share capital	2005	2004
	£	£
Authorised:		
Ordinary shares of £1 each	<u>100</u>	<u>100</u>
	2005	2004
	£	£
Allotted, called up and fully paid:		
Ordinary shares of £1 each	<u>1</u>	<u>1</u>
Movement in share capital	2005	2004
	£	£
At 1 July and 30 June	<u>1</u>	<u>1</u>
13 Revaluation reserve	2005	2004
	£	£
At 1 July	3,561,782	1,323,956
Arising on revaluation during the year	(22,764)	2,237,826
At 30 June	<u>3,539,018</u>	<u>3,561,782</u>
14 Profit and loss account	2005	2004
	£	£
At 1 July	352,034	363,885
Retained loss	(8,888)	(11,851)
At 30 June	<u>343,146</u>	<u>352,034</u>
15 Reconciliation of movement in shareholder's funds	2005	2004
	£	£
At 1 July	3,913,817	1,687,842
Loss for the financial year	(8,888)	(11,851)
Arising on revaluation during the year	(22,764)	2,237,826
At 30 June	<u>3,882,165</u>	<u>3,913,817</u>

16 Ultimate controlling parties

The largest and smallest group into which the company is consolidated is C.G.I.S. Group Limited, a company registered in England and Wales.

The consolidated financial statements of C.G.I.S Group Limited can be obtained from 10 Upper Berkeley Street, London, W1H 7PE.

The company is ultimately controlled by the directors.