

Registered number  
04220086

C G.I S City Plaza Shares Limited

Directors' Report and Accounts

30 June 2007



**C.G.I.S. City Plaza Shares Limited**  
**Report and accounts**  
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**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 2007

**Principal activities**

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

During the year the company disposed of its freehold investment property

**Results and dividends**

The results for the year are shown in the profit and loss account on page 5

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 financial statements of that company

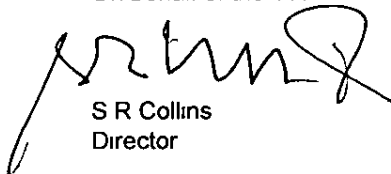
**Disclosure of information to auditors**

The directors who held office at the date of approval of this Directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditors are unaware, and each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information

**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

30 April 2008

**C.G.I.S. City Plaza Shares Limited**  
**Statement of 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 they have elected to prepare the financial statements in accordance with UK Accounting Standards.

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 that company for that period.

In preparing these 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,
- 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 proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that its financial statements comply with the Companies Act 1985. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

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 of C G I S City Plaza Shares Limited for the year ended 30 June 2007 which comprise the Profit and Loss Account, the Statement of Total Recognised Gains and Losses, the Balance Sheet, the Note of Historical Cost Profits and Losses and the related notes. These financial statements have been prepared under the accounting policies set out therein.

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**

As described in the Statement of Directors' Responsibilities on page 2, the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and UK Accounting Standards (UK 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 whether in our opinion the information given in the Directors' Report is consistent with the financial statements. We also report to you if, in our opinion, 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 other transactions 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 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.

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

In our opinion

- the financial statements give a true and fair view, in accordance with UK Generally Accepted Accounting Practice, of the state of the company's affairs as at 30 June 2007 and of its loss for the year then ended,
- the financial statements have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the Directors' Report is consistent with the financial statements

*KPMG Audit Plc*

**KPMG Audit Plc**  
Chartered Accountants  
Registered Auditor

*30 APR 2008*

**C.G.I.S. City Plaza Shares Limited**  
**Profit and Loss Account**  
**for the year ended 30 June 2007**

|  | Notes | 2007<br>£        | 2006<br>£        |
|--|-------|------------------|------------------|
| Turnover   | 2     | (319,624)        | 1,006,653        |
| Cost of sales  |       | (36,018)         | (303,046)        |
| <b>Gross (loss)/profit</b>   |       | <u>(355,642)</u> | <u>703,607</u>   |
| Administrative expenses  |       | -                | (8,639)          |
| Other operating income   |       | -                | 13,510           |
| <b>Operating (loss)/profit</b>                                       |       | <u>(355,642)</u> | <u>708,478</u>   |
| Exceptional items<br>profit on the disposal of tangible fixed assets |       | 5,000            | 504,769          |
|  |       | <u>(350,642)</u> | <u>1,213,247</u> |
| Interest receivable  |       | 600              | 3,772            |
| <b>(Loss)/profit on ordinary activities before taxation</b>          |       | <u>(350,042)</u> | <u>1,217,019</u> |
| Tax on loss on ordinary activities                                   | 6     | -                | 50,775           |
| <b>(Loss)/profit for the financial year</b>                          | 12    | <u>(350,042)</u> | <u>1,267,794</u> |

All the above results relate to continuing activities

**C.G.I.S. City Plaza Shares Limited**  
**Statement of total recognised gains and losses**  
**for the year ended 30 June 2007**

|   | <b>Notes</b> | <b>2007</b><br><b>£</b> | <b>2006</b><br><b>£</b> |
|---|--------------|-------------------------|-------------------------|
| (Loss)/profit for the financial year                  |              | (350,042)               | 1,267,794               |
| Unrealised surplus on revaluation of properties       | 11           | -                       | -                       |
| Total recognised gains and losses related to the year |              | <u>(350,042)</u>        | <u>1,267,794</u>        |

**Note of historical cost profits and losses**  
**for the year ended 30 June 2007**

|   | <b>Notes</b> | <b>2007</b><br><b>£</b> | <b>2006</b><br><b>£</b> |
|---|--------------|-------------------------|-------------------------|
| (Loss)/Profit on ordinary activities before taxation          |              | (350,042)               | 1,217,019               |
| Realisation of property revaluation surplus on disposal       | 12           | -                       | 3,539,018               |
| Historical cost profit on ordinary activities before taxation |              | <u>(350,042)</u>        | <u>4,756,037</u>        |

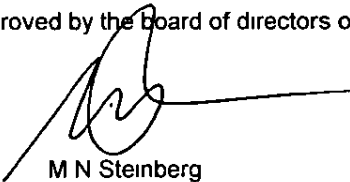


**C G I S. City Plaza Shares Limited**  
**Balance Sheet**  
**as at 30 June 2007**

|   | Notes | 2007<br>£        | 2006<br>£        |
|---|-------|------------------|------------------|
| <b>Current assets</b>                                 |       |                  |                  |
| Debtors   | 7     | 5,027,275        | 5,414,910        |
| <b>Creditors: amounts falling due within one year</b> | 8     | (227,358)        | (264,951)        |
| <b>Net current assets</b>                             |       | <u>4,799,917</u> | <u>5,149,959</u> |
| <b>Total assets less current liabilities</b>          |       | <u>4,799,917</u> | <u>5,149,959</u> |
| <b>Net assets</b>                                     |       | <u>4,799,917</u> | <u>5,149,959</u> |
| <b>Capital and reserves</b>                           |       |                  |                  |
| Called up share capital                               | 10    | 1                | 1                |
| Profit and loss account                               | 12    | 4,799,916        | 5,149,958        |
| <b>Equity Shareholder's funds</b>                     | 13    | <u>4,799,917</u> | <u>5,149,959</u> |

These financial statements were approved by the board of directors on 30 April 2008 and were signed on its behalf by

  
S R Collins  
Director

  
M N Steinberg  
Director

**C G.I.S. City Plaza Shares Limited**  
**Notes to the Accounts**  
**for the year ended 30 June 2007**

**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 ultimate holding company, C G I S Group Limited, complies with International Financial Reporting Standards. 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 2007**

***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

***Adoption of new accounting standards***

In these financial statements the following new standards have been adopted for the first time

- FRS 21 'Events after the balance sheet date'
- The presentation requirements of FRS 25 'Financial instruments Disclosure and presentation', and
- FRS 28 'Corresponding amounts'

The adoption of these new standards has had no material effect in either the current or prior year

**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 (2006 Nil) The directors received no remuneration for their services to the company (2006 Nil)

**4 Auditors' remuneration**

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

The director's estimate the fee attributable to the company to be £600

**5 Interest payable**

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 financial statements

**C.G.I.S. City Plaza Shares Limited**  
**Notes to the Accounts**  
**for the year ended 30 June 2007**

|   |                 |                 |
|---|-----------------|-----------------|
| <b>6 Taxation</b>   | <b>2007</b>     | <b>2006</b>     |
|   | <b>£</b>        | <b>£</b>        |
| UK corporation tax at 30% (2006 30%)                        | -               | -               |
| Deferred taxation current year                              | -               | (50,775)        |
| Total corporation tax and similar charges for the period    | -               | (50,775)        |
| <br><b>Current taxation reconciliation</b>                  | <br><b>2007</b> | <br><b>2006</b> |
|   | <b>£</b>        | <b>£</b>        |
| (Loss)/profit on ordinary activities before taxation        | (350,042)       | 1,217,019       |
| UK corporation tax at 30% (2006 30%) on profits before tax  | (105,013)       | 365,106         |
| Chargeable gain   | -               | 623,207         |
| Capital allowances and IBAs                                 | -               | (333,356)       |
| Profit on disposal  | -               | (151,431)       |
| Permanently disallowable expenditure                        | -               | 9,355           |
| Income not taxable for tax purposes                         | -               | (3,453)         |
| Group relief  | -               | (509,428)       |
| Unrealised tax losses arising in the year                   | 105,013         | -               |
|   | -               | -               |
| <br><b>7 Debtors</b>  | <br><b>2007</b> | <br><b>2006</b> |
|   | <b>£</b>        | <b>£</b>        |
| Trade debtors   | 29,373          | 115,645         |
| Amounts owed by group undertakings                          | 4,942,304       | 5,014,825       |
| Other debtors   | 55,598          | 284,440         |
| Prepayments and accrued income                              | -               | -               |
|   | 5,027,275       | 5,414,910       |
| <br><b>8 Creditors, amounts falling due within one year</b> | <br><b>2007</b> | <br><b>2006</b> |
|   | <b>£</b>        | <b>£</b>        |
| Trade creditors   | -               | 11,916          |
| Other taxes and social security costs                       | -               | 26,093          |
| Other creditors   | 227,358         | 210,692         |
| Accruals and deferred income                                | -               | 16,250          |
|   | 227,358         | 264,951         |
| <br><b>9 Provisions for liabilities and charges</b>         | <br><b>2007</b> | <br><b>2006</b> |
| <b>Deferred taxation</b>                                    | <b>£</b>        | <b>£</b>        |
| At 1 July   | -               | 50,775          |
| Charged to the profit and loss account                      | -               | (50,775)        |
| At 30 June  | -               | -               |

The company had no provided deferred tax and no unprovided deferred tax in the accounts for the year

**C G I S City Plaza Shares Limited**  
**Notes to the Accounts**  
**for the year ended 30 June 2007**

|   |             |             |
|---|-------------|-------------|
| <b>10 Share capital</b>                                     | <b>2007</b> | <b>2006</b> |
|   | <b>£</b>    | <b>£</b>    |
| Authorised  |             |             |
| Ordinary shares of £1 each                                  | 100         | 100         |
|   | <b>2007</b> | <b>2006</b> |
|   | <b>£</b>    | <b>£</b>    |
| Allotted, called up and fully paid                          |             |             |
| Ordinary shares of £1 each                                  | 1           | 1           |
| <b>Movement in share capital</b>                            | <b>2007</b> | <b>2006</b> |
|   | <b>£</b>    | <b>£</b>    |
| At 1 July and 30 June                                       | 1           | 1           |
| <b>11 Revaluation reserve</b>                               | <b>2007</b> | <b>2006</b> |
|   | <b>£</b>    | <b>£</b>    |
| At 1 July   | -           | 3,539,018   |
| Released on disposal  | -           | (3,539,018) |
| At 30 June  | -           | -           |
| <b>12 Profit and loss account</b>                           | <b>2007</b> | <b>2006</b> |
|   | <b>£</b>    | <b>£</b>    |
| At 1 July   | 5,149,958   | 343,146     |
| (Loss)/profit   | (350,042)   | 1,267,794   |
| Transfer from revaluation reserve                           | -           | 3,539,018   |
| At 30 June  | 4,799,916   | 5,149,958   |
| <b>13 Reconciliation of movement in shareholder's funds</b> | <b>2007</b> | <b>2006</b> |
|   | <b>£</b>    | <b>£</b>    |
| At 1 July   | 5,149,959   | 3,882,165   |
| (Loss)/profit for the financial year                        | (350,042)   | 1,267,794   |
| At 30 June  | 4,799,917   | 5,149,959   |
| <b>14 Ultimate controlling parties</b>                      |             |             |

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