

Registered number
04316344

C.G I S Littlehampton Limited

Directors' Report and Accounts

30 June 2009



C.G.I.S. Littlehampton Limited
Report and accounts
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C.G.I.S. Littlehampton Limited
Directors' Report

The directors present their annual report and the audited financial statements for the year ended 30 June 2009

Principal activities

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

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 (2008 Nil) Dividends were paid on the preference shares of £10,393 (2008 £18,533)

Directors

The directors who served during the year were as follows

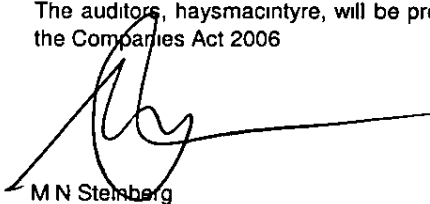
T S Cole

S R Collins

M N Steinberg

Auditors

The auditors, Haysmacintyre, will be proposed for re-appointment in accordance with section 485 of the Companies Act 2006



M N Steinberg
Director

10 Upper Berkeley Street
London
W1H 7PE

11/3/2010

C.G.I.S. Littlehampton Limited
Statement of Directors' Responsibilities

The directors are responsible for preparing the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice

Company law requires the directors to prepare financial statements for each financial year that 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. The directors are required to prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the company will continue in business.

The directors confirm that suitable accounting policies have been used and applied consistently. They also confirm that reasonable and prudent judgements and estimates have been made in preparing the financial statements for the year ended 30 June 2009 and that applicable accounting standards have been followed.

The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and which 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 determining how amounts are presented within items in the profit and loss account and balance sheet, the directors have had regard to the substance of the reported transaction or arrangement, in accordance with generally accepted accounting principles or practice. So far as each of the directors is aware at the time the report is approved:

- there is no relevant information of which the company's auditors are 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 auditors are aware of that information.

Independent Auditor's report to the members of C.G.I.S. Littlehampton Limited

We have audited the financial statements of C G I S Littlehampton Limited for the year ended 30 June 2009 which comprise the Profit and Loss Account, the Balance Sheet, the Statement of Total Recognised Gains and Losses and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Section 495 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 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 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 Directors' Responsibilities Statement set out on page 2, 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 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.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 30 June 2009 and of its profit for the year then ended,
- have been properly prepared in accordance with the United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matters prescribed by the Companies Act 2006

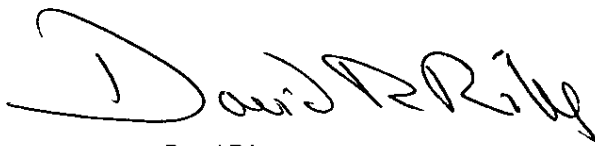
In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Independent Auditor's report to the members of C.G.I.S. Littlehampton 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



David Riley
for and on behalf of haysmacintyre
Statutory Auditor

11/03/10

Fairfax House
15 Fulwood Place
London, WC1V 6AY

C.G.I.S. Littlehampton Limited
Profit and Loss Account
for the year ended 30 June 2009

	Notes	2009 £	2008 £
Turnover	2		
Rent receivable		700,918	698,550
Service charge income		<u>41,597</u>	<u>96,088</u>
		742,515	794,638
 Cost of sales		 (44,097)	 (98,338)
Gross profit		<u>698,418</u>	<u>696,300</u>
 Administrative expenses	4	 -	 (4,400)
Operating profit		<u>698,418</u>	<u>691,900</u>
 Interest payable	5	 (426,254)	 (710,433)
Profit/(loss) on ordinary activities before taxation		<u>272,164</u>	<u>(18,533)</u>
 Tax on profit/(loss) on ordinary activities	6	 -	 -
Profit/(loss) for the financial year		<u>272,164</u>	<u>(18,533)</u>

Continuing operations

All of the above relate to continuing operations

There is no difference between the loss as stated and that prepared on the historic cost basis

The notes on pages 8 - 13 form part of these financial statements

C.G.I.S. Littlehampton Limited
Statement of total recognised gains and losses
for the year ended 30 June 2009

	Notes	2009 £	2008 £
Profit/(loss) for the financial year		272,164	(18,533)
Unrealised deficit on revaluation of properties	7	(1,250,000)	(1,450,000)
Total recognised losses related to the year		<u>(977,836)</u>	<u>(1,468,533)</u>

The notes on pages 8 - 13 form part of these financial statements

C.G.I.S. Littlehampton Limited
Balance Sheet
as at 30 June 2009

	Notes	2009 £	2008 £
Fixed assets			
Investment property	7	7,300,000	8,550,000
Investments	8	<u>2</u>	<u>2</u>
		7,300,002	8,550,002
Current assets			
Debtors	9	9,607,574	8,981,846
Creditors amounts falling due within one year	10	(15,761,207)	(15,407,643)
Net current liabilities		<u>(6,153,633)</u>	<u>(6,425,797)</u>
Total assets less current liabilities		1,146,369	2,124,205
Creditors: amounts falling due after more than one year	11	(207,253)	(207,253)
Net assets		<u>939,116</u>	<u>1,916,952</u>
Capital and reserves			
Called up share capital	12	1	1
Revaluation reserve	13	(98,000)	1,152,000
Profit and loss account	13	1,037,115	764,951
Equity Shareholder's funds	14	<u>939,116</u>	<u>1,916,952</u>

These financial statements were approved by the board of directors on 11/3/2010 and were signed on its behalf by


 S R Collins
 Director


 M N Steinberg
 Director

The notes on pages 8 - 13 form part of these financial statements

C.G.I.S. Littlehampton Limited
Notes to the Accounts
for the year ended 30 June 2009

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 with the exception of the presentation of gross property income noted below

Accounting convention

The financial statements have been prepared on a going concern basis, under the historical cost accounting rules, modified by the revaluation of certain fixed assets, and in accordance with the Companies Act 2006 and applicable accounting standards for the United Kingdom

Basis of preparation

The accounts have been prepared on the going concern basis by the directors, who have assessed the future performance of the company and determined that the going concern basis is appropriate. In addition, the directors have obtained the support of C G I S Group No 3 Limited for a period of at least 12 months from the date of the approval of the financial statements

Properties

Investment properties are included in the balance sheet at their open market value at the balance sheet date based upon an annual external professional valuation. Aggregate 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, where such impairments are considered permanent

Additions to investment properties include only costs of a capital nature. Costs such as interest and other property outgoings are treated as revenue expenditure and written off as incurred

In accordance with SSAP 19 (as amended) "Accounting for Investment Properties" no depreciation or amortisation is provided in respect of freehold and leasehold investment properties. This treatment is a departure from the requirements of Companies Act 2006 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

Related party transactions

As the company is a wholly owned subsidiary of CGIS Group (No 3) 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)

The consolidated financial statements of CGIS Group (No 3) Limited, within which this company is included, can be obtained from 10 Upper Berkeley Street, London, W1H 7PE

C.G.I.S. Littlehampton Limited
Notes to the Accounts
for the year ended 30 June 2009

1 Accounting policies (continued)

Gross property income

Following the issue of Application Note G (an amendment to FRS 5) in November 2003, the gross value of property expenses is now included within cost of sales and the contribution from tenants is included in turnover. Previously the net of these two items had been shown within cost of sales.

FRS 25 "Financial Instruments disclosure and presentation"

Where the contractual obligations (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses are included in the profit and loss account. Accordingly, non equity share capital in accordance with FRS25 is shown as financial liabilities. Dividends payable on this share capital are classified as finance costs and is shown in interest payable and similar charges.

2 Turnover

Turnover, which is stated net of value added tax, includes rents receivable, service charge and other recoveries from tenants of its investment property within the United Kingdom.

3 Staff numbers and costs

Other than the directors, the company employed no staff during the year (2008 Nil). None of the directors received any remuneration (2008 Nil).

4 Auditors' remuneration

The auditors' remuneration has been borne by its intermediate parent company, CGIS Group (No 3) Limited.

5 Interest payable

	2009	2008
	£	£
Finance charges arising in respect of loans from group undertakings	414,414	691,900
Other Interest	1,447	-
Dividends on preference shares Paid 5.09p (2008 9.08p) per 1p share	6,578	12,479
Accrued preference dividend from 1 January 2009 to 30 June 2009	3,815	6,054
	<u>426,254</u>	<u>710,433</u>

C G.I.S. Littlehampton Limited
Notes to the Accounts
for the year ended 30 June 2009

6 Taxation

Tax on profit on ordinary activities

	2009	2008
	£	£
Taxation based on profits for the year		
Current tax	-	-
Total corporation tax and similar taxes	-	-

Current tax

The tax on the profit on ordinary activities has been reduced from the amount that would arise from applying the prevailing corporation tax rate to the company's profit as follows -

	2009	2008
	£	£
UK corporation tax at 28% on profit/(loss) before tax (2008 28%)	76,206	(5,189)
Tax losses (from)/to group companies	(44,487)	27,001
Utilisation of tax losses	(16,000)	-
Preference dividends	2,910	5,189
Capital allowances	(18,629)	(27,001)
	-	-

Factors that may affect future tax charges

No provision has been made for taxation which might become payable if the company's investment property was sold at the net amount at which it is stated in the financial statements. The tax liability would amount to approximately £nil (2008 £nil)

7 Investment properties

	Freehold land and buildings £
Valuation	
At 1 July 2008	8,550,000
Deficit on revaluation	(1,250,000)
At 30 June 2009	<u>7,300,000</u>
Net book value	
At 30 June 2009	<u>7,300,000</u>
At 30 June 2008	<u>8,550,000</u>

The company owns the beneficial interest in the property but not the legal title which is owned by Hawthorne Road Nominee (No 1) Limited and Hawthorne Road Nominee (No 2) Limited, which are both subsidiary undertakings

The company's property has been valued at open market value as at 30 June 2009 by the Group's independent external valuer, CB Richard Ellis

The immediate parent company, HDL Debenture Limited, has a debenture loan and a bank loan which are secured by way of a first and second legal charge over the investment property and all other assets of the company

C.G.I.S. Littlehampton Limited
Notes to the Accounts
for the year ended 30 June 2009

8 Investments

	Investments in subsidiary undertakings £	Total £
Cost		
At 1 July 2008 and 30 June 2009	<u>2</u>	<u>2</u>

Company	Shares held	
	Class	%
Hawthorne Road Nominee (No1) Limited	Ordinary	100
Hawthorne Road Nominee (No2) Limited	Ordinary	100

All subsidiary companies are registered in England and Wales

These subsidiaries have not been consolidated into these financial statements because the company is a subsidiary of CGIS Group No 3 Limited and as such is exempt from preparing consolidated accounts

9 Debtors	2009	2008
	£	£
Amounts owed by group undertakings	9,602,929	8,955,753
Other debtors	4,645	26,093
	<u>9,607,574</u>	<u>8,981,846</u>

10 Creditors amounts falling due within one year	2009	2008
	£	£
Trade creditors	21,657	21,400
Amounts owed to group undertakings	15,547,362	15,193,646
Other taxes and social security costs	26,350	30,562
Amounts owed to related undertakings	2,643	-
Accruals and deferred income	163,195	162,035
	<u>15,761,207</u>	<u>15,407,643</u>

Interest on intercompany loans is charged annually in arrears at bank base rate plus 1 5%. 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 before interest and dividends

11 Creditors amounts falling due after one year	2009	2008
	£	£
Preference shares of 1p each	2,040	2,040
Preference share premium	205,213	205,213
	<u>207,253</u>	<u>207,253</u>

C G.I.S. Littlehampton Limited
Notes to the Accounts
for the year ended 30 June 2009

12 Share capital	2009	2008
	£	£
Authorised		
Equity		
Ordinary shares of £1 each	100	100
Non Equity		
Preference shares of 1p each	375,000	375,000
	<u>375,100</u>	<u>375,100</u>
	2009	2008
	£	£
Allotted, called up and fully paid		
Equity		
Ordinary shares of £1 each	1	1
Non Equity		
Preference shares of 1p each	2,040	2,040
	<u>2,041</u>	<u>2,041</u>

The irredeemable preference shares rank pari passu with the ordinary shares except for the following The preference shares have the right to receive a cumulative preferential dividend, priority on the assets of the company on winding up and have no voting rights

13 Reserves	Revaluation reserve	Profit and loss account
At 1 July	1,152,000	764,951
Retained profit	-	272,164
Arising on revaluation during the year	(1,250,000)	-
	<u>(98,000)</u>	<u>1,037,115</u>
At 30 June		

14 Reconciliation of movement in shareholder's funds	2009	2008
	£	£
At 1 July	1,916,952	3,385,485
Profit/(loss) for the financial year	272,164	(18,533)
Arising on revaluation during the year	(1,250,000)	(1,450,000)
	<u>939,116</u>	<u>1,916,952</u>
At 30 June		

C G I S Littlehampton Limited
Notes to the Accounts
for the year ended 30 June 2009

15 Ultimate controlling parties

The immediate holding company is HDL Debenture Limited and the ultimate parent company is CGIS Group (No 3) Limited. Both companies are incorporated in England and Wales.

The company is ultimately controlled by the directors.

16 Contingent liabilities

The financing arrangements adopted by the company have been the subject of enquiries by HM Revenue & Customs. These enquiries have now been completed and the level of taxable profits of the company for the years ended 30 June 2003 to 2004 is disputed. The amount of corporation tax and interest on overdue tax payable by the group should HM Revenue & Customs be successful in their contentions is expected to be £43,543 at 30 June 2009. The directors have taken advice on this matter and consider that no liability should arise.