

Registered number  
04789193

C.G.I.S. (No.3) Finance Fourteen Limited  
(formerly DWSCO 2396 Limited)

Directors' Report and Accounts

30 June 2004



**C.G.I.S. (No.3) Finance Fourteen Limited**  
**Report and accounts**  
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## **C.G.I.S. (No.3) Finance Fourteen Limited**

### **Directors' Report**

The directors present their annual report and the audited financial statements for the period ended 30 June 2004.

#### **Incorporation**

The company was incorporated on 5 June 2003 and the name was changed from DWSCO 2396 Limited to C.G.I.S. (No.3) Finance Fourteen Limited on 23 June 2003.

#### **Principal activities**

The company's principal activity during the period was property investment.

#### **Review of business results and future activities**

During the period the company received preference shares with a total value of £191,173 and loan notes with a total value of £36,246,314 in fellow group undertakings.

The shares and loan notes received are expected to provide a source of income in future periods.

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

#### **Directors**

The directors who served during the period were as follows:

DWS Directors Limited	Appointed 5 June 2003	Resigned 24 June 2003
M N Steinberg	Appointed 24 June 2003	
T S Cole	Appointed 24 June 2003	
S R Collins	Appointed 24 June 2003	

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

The directors' interest in the shares of the holding company, CGIS (No.3) Group Limited, are disclosed in the accounts of that company.

#### **Auditors**

The directors appointed PricewaterhouseCoopers LLP to fill the casual vacancy as auditors of the company.

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

By order of the board



M N Steinberg  
Director

10 Upper Berkeley Street  
London  
W1H 7PE

18 February 2005



**C.G.I.S. (No.3) Finance Fourteen Limited**  
**Statement of Directors' Responsibilities**

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 period ended 30 June 2004 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 1985. 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.



**Report of the independent auditors to the member of C.G.I.S. (No.3) Finance  
Fourteen Limited (formerly DWSCO 2396 Limited)**

We have audited the financial statements which comprise the profit and loss account, the balance sheet, the statement of total recognised gains and losses and the related notes.

**Respective responsibilities of directors and auditors**

The directors' responsibilities for preparing the annual report and the financial statements in accordance with applicable United Kingdom law and accounting standards are set out in the statement of directors' responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards issued by the Auditing Practices Board. This report, including the opinion, has been prepared for and only for the company's members as a body in accordance with Section 235 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

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 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 affairs of the company at 30 June 2004 and of its result for the period then ended and have been properly prepared in accordance with the Companies Act 1985.



**PricewaterhouseCoopers LLP**

*Chartered Accountants*

*and Registered Auditors*

London, 12 March 2005



**C.G.I.S. (No.3) Finance Fourteen Limited**  
**Profit and Loss Account**  
**for the period from 5 June 2003 to 30 June 2004**

	Notes	2004 £
<b>Turnover</b>		-
Cost of sales		-
<b>Gross profit</b>		-
<b>Operating profit</b>		-
Other interest receivable and similar income		906,158
<b>Profit on ordinary activities before taxation</b>		906,158
Tax on profit on ordinary activities	4	-
<b>Retained profit for the period</b>	8	906,158
Transferred to:		
Profit and Loss reserve	8	-
Share premium	8	906,158
		906,158

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

All the above results relate to continuing activities.

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

**C.G.I.S. (No.3) Finance Fourteen Limited**  
**Statement of total recognised gains and losses**  
**for the period from 5 June 2003 to 30 June 2004**

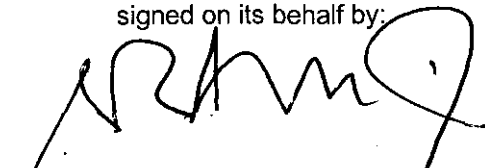
	Notes	2004 £
Profit for the financial year transferred to share premium		906,158
Unrealised gain on shares in group companies		191,173
Total recognised gains and losses related to the period		<u>1,097,331</u>

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

**C.G.I.S. (No.3) Finance Fourteen Limited**  
**Balance Sheet**  
**as at 30 June 2004**

	Notes	2004 £
<b>Fixed assets</b>		
Investments	5	191,173
<b>Current assets</b>		
Debtors	6	37,152,472
<b>Net current assets</b>		37,152,472
<b>Total assets less current liabilities</b>		37,343,645
<b>Net assets</b>		<u>37,343,645</u>
<b>Capital and reserves</b>		
Called up share capital	7	36,246,314
Share premium	8	906,158
Other reserves	8	191,173
Profit and loss account	8	-
<b>Equity Shareholder's funds</b>	9	<u>37,343,645</u>

These financial statements were approved by the board of directors on 18 February 2005 and were signed on its behalf by:



S R Collins  
Director



M N Steinberg  
Director

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

**C.G.I.S. (No.3) Finance Fourteen Limited**  
**Notes to the Accounts**  
**for the period from 5 June 2003 to 30 June 2004**

**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.

***Accounting convention***

The financial statements have been prepared on a going concern basis, under the historical cost accounting rules and in accordance with the Companies Act 1985 and applicable accounting standards for the United Kingdom.

***Investments***

Investments are included in the balance sheet at directors' valuations. Where the value of these investments is below the cost and is considered to be a permanent diminution, the deficit is written off to the profit and loss account. If the diminution is not considered to be permanent, no such write off is made.

***Cashflow statement***

The cash flow statement included in the consolidated financial statements of the holding company, CGIS Group (No.3) 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 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.

***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 that result in an obligation to pay more tax in the future or right to pay less tax in the future have occurred at the balance sheet date. An asset is not recognised to the extent that the transfer of economic benefits in the future is uncertain.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantially enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

**2 Staff numbers and costs**

Other than the directors, the company employed no staff during the period. None of the directors received any remuneration.

**3 Auditors' remuneration**

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



**C.G.I.S. (No.3) Finance Fourteen Limited**  
**Notes to the Accounts**  
**for the period from 5 June 2003 to 30 June 2004**

**4 Taxation**

**Current tax**

	<b>2004</b>
	<b>£</b>
Taxation based on profits for the period:	
UK corporation tax at 30%	-
Total corporation tax and similar taxes	-

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:-

	<b>2004</b>
	<b>£</b>
UK corporation tax at 30% on profits before tax	271,847
Non taxable income	(271,847)
Corporation tax charge for the year	-

**Deferred Tax**

The company had no provided or unprovided deferred tax at 30 June 2004.

**5 Investments**

	<b>Investments in group companies £</b>	<b>Total £</b>
<b>Valuation</b>		
At 5 June 2003	-	-
Additions	191,173	191,173
At 30 June 2004	191,173	191,173

At 30 June 2004 the company had received a gift of irredeemable preference shares of C.G.I.S Tewkesbury Limited, a company whose intermediate holding company is also CGIS Group (No.3) Limited.

Both companies are registered in England and Wales.



**C.G.I.S. (No.3) Finance Fourteen Limited**  
**Notes to the Accounts**  
**for the period from 5 June 2003 to 30 June 2004**

<b>6 Debtors</b>	<b>2004</b>
	<b>£</b>
Amounts owed by group undertakings	37,152,472
	<u>37,152,472</u>

Included in amounts owed by group undertakings are loan notes to a group undertaking that fell due on 30 June 2004. The loan notes were refinanced as necessary on 5 July 2004.

Amounts due after more than one year included in:

Amounts owed by group undertakings	<u>1</u>
------------------------------------	----------

<b>7 Share capital</b>	<b>2004</b>
	<b>£</b>
Authorised:	
Ordinary shares of £1 each	<u>36,246,314</u>

	<b>2004</b>
	<b>£</b>
Allotted, called up and fully paid:	
Ordinary shares of £1 each	<u>36,246,314</u>

<b>Movement in share capital</b>	<b>2004</b>
	<b>£</b>

At 5 June 2003	-
Shares issued	36,246,314
	<u>36,246,314</u>
At 30 June 2004	<u>36,246,314</u>

During the period 36,246,314 ordinary shares of £1 were issued at a premium. The company received a promissory note as satisfaction for the nominal value of the shares issued. Under the terms of the allotment of the shares the company was obliged to appropriate and capitalise the profit accruing on the note. The ordinary shares are fully called up and paid up at the year end as to nominal value and share premium through the inter company account.

<b>8 Reserves</b>	<b>Profit and Loss reserve £</b>	<b>Share Premium reserve £</b>	<b>Other reserves £</b>
At 5 June 2003	-	-	-
Profit for the financial period	-	906,158	-
Unrealised gain on shares received from group companies	-	-	191,173
	<u>-</u>	<u>906,158</u>	<u>191,173</u>
At 30 June 2004	-	906,158	191,173





**C.G.I.S. (No.3) Finance Fourteen Limited**  
**Notes to the Accounts**  
**for the period from 5 June 2003 to 30 June 2004**

<b>9 Reconciliation of movement in equity shareholder's funds</b>	<b>2004</b>
	<b>£</b>
At 5 June 2003	-
Profit for the financial year transferred to the share premium account	906,158
Unrealised gain on shares received from group companies	191,173
Shares issued	36,246,314
	<hr/>
At 30 June 2004	<u>37,343,645</u>

**10 Ultimate controlling parties**

The intermediate holding company is CGIS Group (No.3) Limited, a company incorporated in England and Wales.

The company is ultimately controlled by the directors.



**C.G.I.S. (No.3) Finance Fourteen Limited**  
**Profit and Loss Account**  
**for the period from 5 June 2003 to 30 June 2004**  
*for the information of the directors only*

	2004 £
Sales	-
Cost of sales	-
<b>Gross profit</b>	-
Administrative expenses	-
<b>Operating profit</b>	-
Interest payable	-
<b>Profit before tax</b>	<u>906,158</u>



**C.G.I.S. (No.3) Finance Fourteen Limited**  
**Schedule to the Profit and Loss Account**  
**for the period from 5 June 2003 to 30 June 2004**  
*for the information of the directors only*

	2004 £
<b>Sales</b>	
Rent receivable	-
	-
	-
<b>Cost of sales</b>	
Property outgoings	-
	-
	-
<b>Administrative expenses</b>	
Travel and subsistence	-
Sundry expenses	-
	-
	-

