

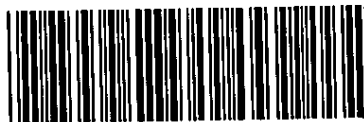
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**Cosmopolitan Enterprises Limited**

**Report and Financial Statements**

**31 March 2009**

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# **Cosmopolitan Enterprises Limited**

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# **Cosmopolitan Enterprises Limited**

## **ADMINISTRATIVE INFORMATION**

**For the year ended 31st March 2009**

### **DIRECTORS**

<b>Chairman</b>	Mr D Waugh (Resigned 8 October 2008) Mr N G White
<b>Directors</b>	Mr A G Simmons (Resigned 27 October 2008) Mr M Griffiths Mr D Griffiths Mr K Martin
<b>Secretary</b>	Ms S E Neill

### **GROUP EXECUTIVE DIRECTORS**

<b>Group Chief Executive</b>	Mr G A Redhead
<b>Group Finance Director</b>	Mr K Martin
<b>Group Human Resources Director</b>	Ms S E Neill
<b>Group Business Development Director</b>	Mr D Griffiths
<b>Group Operations Director</b>	Mr A Gaston

### **AUDITORS**

Duncan Sheard Glass, Castle Chambers, 43 Castle Street, Liverpool. L2 9TL

### **INTERNAL AUDITORS**

Mazars LLP, Merchant Exchange, Whitworth Street West, Manchester. M1 5WG

### **BANKERS**

Bank of Ireland, 20 Chapel Street, Liverpool. L3 9AG

### **SOLICITORS**

Brabners Chaffe Street, Horton House, Exchange Flags, Liverpool. L2 3YL  
Trowers & Hamlins, Heron House, Albert Square, Manchester. M2 5HD  
HJ Walker Sibia, 603/614 Cotton Exchange, Old Hall Street, Liverpool. L3 9LQ  
Hill Dickinson, No 1 St Pauls Square, Liverpool. L3 9SJ

### **CORPORATE INFORMATION**

Company number: 4806841

Registered Office : Cosmopolitan House, 2 Marybone, Liverpool, L3 2BY

# **Cosmopolitan Enterprises Limited**

## **DIRECTORS' REPORT**

**For the year ended 31st March 2009**

The Directors present their annual report and audited accounts for the year ended 31 March 2009.

### **Principal activities**

The Company's principal activities are that of commercial property investment, property development and property management.

### **Financial results**

The results for the year are set out on page 7 of the financial statements. The year has been a satisfactory one financially and it is envisaged that this position will continue for the foreseeable future.

### **Directors interests**

The Directors of the Company are listed on page 2. None of the directors have any interest in the shares of the company. The Company has 1 "A" £1 ordinary share and 49,999 "B" £1 ordinary shares in issue. The 1 "A" £1 ordinary share is owned by Cosmopolitan Housing Group Limited, which is the only vote carrying share. The "B" ordinary shares are owned by Cosmopolitan Housing Association and under FRS 25 are classified as long term liabilities.

### **Political and charitable donations**

During the year the Company made a charitable donation to Cosmopolitan Housing Association Limited of £35,000 (2008:£54,368), a subsidiary of Cosmopolitan Housing Group.

### **Insurance**

The Group policy is to insure against risks wherever possible including cover for liability insurance in respect of the Board of Management and Senior Personnel of the Group.

### **Employment policies**

Cosmopolitan Housing Group Limited positively operates an equal opportunities policy to ensure that no person or group of persons will be treated less favourably than any other.

### **Business review**

The redevelopment of Cubitt House is now complete. The restaurant space has been sold and all of the luxury apartments have now been fully let.

Developments are continuing with regards to the redevelopment of Local Authority Land at Lodge Lane. This land is now likely to be used to provide the local Primary Care Trust with a new NHS Hub centre.

Cosmopolitan Enterprises Limited has also been awarded preferred developer status for the Fern Grove Infill Sites on Lodge Lane by Liverpool City Council. This will enable the development of upto 36 houses as and when there is an upturn in the current housing market.

Further developments in the pipeline include an Autistic Centre for Adults in Huyton and the possible development of housing for sale at Grafton Street, Liverpool.

# **Cosmopolitan Enterprises Limited**

## **DIRECTORS' REPORT (CONT'D)**

**For the year ended 31st March 2009**

### **Directors' responsibilities**

The Directors are responsible for preparing the financial statements in accordance with Accounting Standards, applicable law and United Kingdom Generally Accepted Accounting Practices.

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 of the Company for that period. In preparing those 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;
- 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 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.

### **Statement of disclosure to the Auditors**

a) so far as the directors are aware, there is no relevant audit information of which the Company's auditors are unaware, and

b) they have taken all steps that they ought to have taken as Directors in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of the information.

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

### **Auditors**

In accordance with the Companies Act 1985 a resolution to appoint PKF (UK) LLP as the Company's auditors will be proposed at the Annual General meeting.

On behalf of the Board of directors



**N G White**  
**Chairman**

**Date: 13 August 2009**

# **Cosmopolitan Enterprises Limited**

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF COSMOPOLITAN ENTERPRISES LIMITED**

**For the year ended 31st March 2009**

We have audited the financial statements of Cosmopolitan Enterprises Limited for the year ended 31 March 2009 on pages 7 to 13. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our 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's members as a body, for our work, for this report, or for the opinions we have formed.

### **Respective responsibilities of the Directors and Auditors**

As described in the statement of directors' responsibilities on page 4, the company's directors are responsible for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom 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 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 remunerations and other transactions are not disclosed, which are necessary for the purpose of our audit.

We read the directors' report and consider the implications for our report if we become aware of any apparent misstatements within it.

### **Basis of 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 irregularities or error. In forming our opinion we also evaluated the overall adequacy of the presentation of the information in the financial statements.

**Cosmopolitan Enterprises Limited**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF COSMOPOLITAN ENTERPRISES LIMITED**

**For the year ended 31st March 2009**

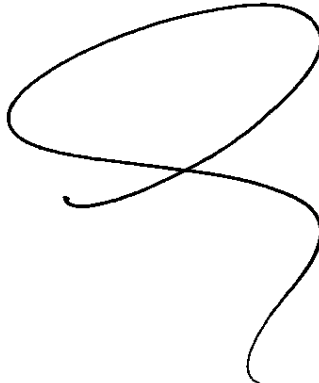
**Opinion**

In our opinion the financial statements:

- give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of affairs of the company as at 31 March 2009 and of its profit for the year then ended;
- 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.

**Duncan Sheard Glass**  
**Registered Auditors and Chartered Accountants**  
**Castle Chambers, 43 Castle Street**  
**Liverpool L2 9TL**

**Date: 13 August 2009**



**Cosmopolitan Enterprises Limited****PROFIT AND LOSS ACCOUNT****For the year ended 31st March 2009**

	<b>Note</b>	<b>2009 £</b>	<b>2008 £</b>
Turnover	<b>1</b>	60,517	83,538
Cost of sales		-	-
<b>Gross profit</b>		<u>60,517</u>	<u>83,538</u>
Administrative expenses		(56,081)	(76,537)
<b>Operating profit</b>	<b>2</b>	<u>4,436</u>	<u>7,001</u>
Interest receivable and other income		48	26
Interest payable and similar charges		(4,000)	(6,000)
<b>Profit on ordinary activities before taxation</b>		<u>484</u>	<u>1,027</u>
Tax on ordinary activities	<b>3</b>	(106)	(645)
<b>Profit for the year</b>		<u><u>378</u></u>	<u><u>382</u></u>

There are no recognised gains and losses other than those passing through the profit and loss account.

The profit and loss account has been prepared on the basis that all operations are continuing operations



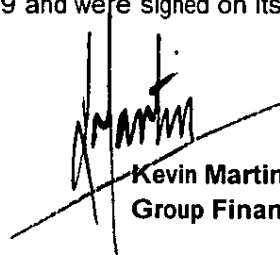
**Cosmopolitan Enterprises Limited**  
**BALANCE SHEET**  
**As at 31st March 2009**

	<b>Note</b>	<b>2009</b> £	<b>2008</b> £
<b>Fixed Assets</b>			
Computer Equipment		4,465	-
		<u>4,465</u>	<u>-</u>
<b>Current assets</b>			
Stock and work in progress		1,184,603	506,527
Debtors	<b>5</b>	100,443	123,667
Cash at bank and short term deposits		32,412	8,228
		<u>1,317,458</u>	<u>638,422</u>
Creditors: amounts falling due within one year	<b>6</b>	(1,256,186)	(573,063)
<b>Total assets less current liabilities</b>		<u>65,737</u>	<u>65,359</u>
Creditors: amount falling due after more than one year	<b>7</b>	(49,999)	(49,999)
<b>Net assets</b>		<u>15,738</u>	<u>15,360</u>
<b>Capital and reserves</b>			
Called up shares	<b>8</b>	1	1
Profit and loss reserves	<b>9</b>	15,737	15,359
<b>Shareholders' funds</b>	<b>10</b>	<u>15,738</u>	<u>15,360</u>

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies on 13 August 2009 and were signed on its behalf by:



**N G White**  
**Chairman**



**Kevin Martin**  
**Group Finance Director**

**Cosmopolitan Enterprises Limited**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended 31st March 2009**

**1. Principle accounting policies**

**Basis of accounting**

The financial statements are prepared on the historical cost basis of accounting.

The company has taken advantage of the exemption in Financial Reporting Standard No.1 (revised 1996) from the requirement to produce a cash flow statement on the grounds that it is a subsidiary undertaking with 90 percent or more of the voting rights controlled within the group.

**Compliance with accounting standards**

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated).

**Turnover**

Turnover represents amount receivable for sales of property and services.

**Stock and work in progress**

Stock and work in progress are valued at the lower of cost and net realisable value.

Cost includes those incurred in the normal course of business of bringing properties to its present location and condition.

Net realisable value of stock is implicitly the actual or estimated selling price less further costs to be incurred in marketing, selling and distribution.

**Deferred taxation**

Deferred taxation is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been

**Pension Cost**

The pension costs charged in the financial statements represent the contributions payable by the company during the year in accordance with Financial Reporting Standard 17.

**Cosmopolitan Enterprises Limited**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended 31st March 2009

**2. Operating profit**

	2009 £	2008 £
Operating profit is stated after charging Auditors' remuneration	<u>2,220</u>	<u>2,500</u>

**3. Taxation**

	2009 £	2008 £
Domestic current year tax:		
UK corporation tax	102	1,401
Prior year adjustment	4	(756)
<b>Current tax charge</b>	<u>106</u>	<u>645</u>
Effect of:		
Profit on ordinary activities before taxation	<u>484</u>	<u>1,027</u>
UK Corporation tax of 21% (2008: 20%)	102	205
Factors affecting the tax charge for the year		
Effect of:		
Interest	-	(5)
Dividend on shares classified as a financial liability	-	1,200
Prior year adjustment	4	(755)
<b>Current tax charge</b>	<u>106</u>	<u>645</u>

**Cosmopolitan Enterprises Limited**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended 31st March 2009

**4. Fixed Assets**

	<b>Computer equipment £</b>
<b>Cost</b>	
At 1 April 2008	-
Additions during year	4,465
	<hr/>
<b>At 31 March 2009</b>	<b>4,465</b>
	<hr/>
<b>Depreciation</b>	
At 1 April 2008	-
Charge for year	-
	<hr/>
<b>At 31 March 2009</b>	<b>-</b>
	<hr/>
<b>Net book value</b>	
<b>At 31 March 2009</b>	<b>4,465</b>
	<hr/>
<b>At 31 March 2008</b>	<b>-</b>
	<hr/>

**5. Debtors**

	<b>2009 £</b>	<b>2008 £</b>
Trade debtors	100,443	123,667
	<hr/>	<hr/>

**6. Creditors: amounts falling due within one year**

	<b>2009 £</b>	<b>2008 £</b>
Trade creditors	6,925	18,045
Corporation tax	102	1,401
VAT	15,210	-
Dividend on shares classified as a financial liability	14,000	10,000
Amounts due from group undertakings	1,219,949	543,617
	<hr/>	<hr/>
	<b>1,256,186</b>	<b>573,063</b>
	<hr/>	<hr/>

**Cosmopolitan Enterprises Limited**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended 31st March 2009

**7. Creditors: amounts falling due after more than one year**

	<b>2009</b>	<b>2008</b>
	<b>£</b>	<b>£</b>
Ordinary shares classified as financial liabilities	49,999	49,999
	<u>49,999</u>	<u>49,999</u>
Ordinary shares classified as financial liabilities:		
Due in more than five years	<u>49,999</u>	<u>49,999</u>

The "B" £1 ordinary shares do not have any voting rights unless the company is in arrears with the "B" dividend.

The "B" shareholders are entitled to a dividend of 8% on the nominal value of the "B" share capital. The assets on winding up are limited for the "B" shareholders.

"B" shareholders can require the shares to be redeemed after 1 April 2018. The company is under an obligation to redeem all shares by 1 April 2028.

**8. Share capital**

	<b>2009</b>	<b>2008</b>
	<b>£</b>	<b>£</b>
<b>Authorised</b>		
1 "A" ordinary share of £1	<u>1</u>	<u>1</u>
<b>Allotted, called up and fully paid</b>		
1 "A" ordinary share of £1	<u>1</u>	<u>1</u>

**9. Statement of movement on Profit & Loss account**

	<b>2009</b>	<b>2008</b>
	<b>£</b>	<b>£</b>
Balance at 1 April	15,359	14,977
Profit for the year	378	382
	<u>15,737</u>	<u>15,359</u>
Balance at 31 March		

**10. Reconciliation of movements in shareholders' funds**

	<b>2009</b>	<b>2008</b>
	<b>£</b>	<b>£</b>
Profit for the financial year	378	382
Opening shareholders' funds	15,360	14,978
	<u>15,738</u>	<u>15,360</u>
Closing shareholders' funds		

**Cosmopolitan Enterprises Limited**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended 31st March 2009**

**11. Control**

The ultimate parent company is Cosmopolitan Housing Group Limited, a company incorporated in Great Britain and registered in England and in Wales.

**12. Related party transactions**

The company has taken advantage of the exemption in Financial Reporting Standard 8 from the requirement to disclose transactions with group companies on the grounds that consolidated financial statements are prepared by the ultimate parent company.

**13. Pension costs**

The company participates in the Cosmopolitan Housing Group defined benefit pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. Cosmopolitan Enterprises Limited is not liable for any deficit/surplus on the scheme.