

L4880450

C G I S Savoy Court Limited  
Directors' Report and Financial Statements  
Year ended 30 June 2010

THURSDAY



L12 \*L8NMBSW1\* 167  
31/03/2011  
COMPANIES HOUSE

**C.G.I.S Savoy Court Limited**  
**Report and Financial Statements**  
**Contents**

	<b>Page</b>
Directors' report	1
Statement of directors' responsibilities	2
Independent auditors' report	3 - 4
Profit and loss account	5
Statement of total recognised gains and losses	6
Balance sheet	7
Notes to the financial statements	8 - 12

**C.G.I.S Savoy Court Limited**  
**Directors' Report**

The directors present their annual report and the audited financial statements for the year ended 30 June 2010

**Principal activities**

The company's principal activity during the year was 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

**Directors**

The directors who served during the year were as follows

T S Cole  
S R Collins  
M N Steinberg

**Disclosure of information to auditors**

So far as each director at the date of approval of this report is aware

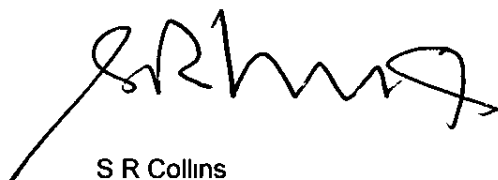
- there is no relevant audit information of which the company's auditors are unaware, and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information

**Auditors**

The auditors, haysmacintyre, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006

In preparing this report, the directors have taken advantage of the small companies exemption provided by section 415A of the Companies Act 2006

The report was approved by the board on 28 March 2011 and signed on its behalf



S R Collins  
Director

Registered Office  
10 Upper Berkeley Street  
London  
W1H 7PE

**C.G I S Savoy Court Limited**  
**Statement of Directors' Responsibilities**

The directors are responsible for preparing the report and 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 the directors have elected to prepare the accounts in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they 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 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,
- 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 adequate accounting records that 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 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.

## **C.G.I.S Savoy Court Limited**

### **Independent auditors' report**

#### **to the shareholder of CGIS Savoy Court Limited**

We have audited the financial statements of CGIS Savoy Court Limited for the year ended 30 June 2010 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 Chapter 3 of Part 16 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 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 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 the 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 the 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 2010 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Opinion on the financial statements**

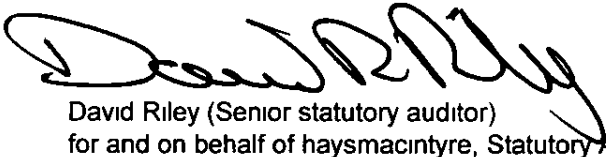
In our opinion the information given in the Directors' Report for the financial year for which the financial statements have been prepared is consistent with the financial statements.

**Independent auditors' report  
to the shareholder of CGIS Savoy Court 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 (Senior statutory auditor)  
for and on behalf of haysmacintyre, Statutory Auditor

Fairfax House  
15 Fulwood Place  
London  
WC1V 6AY

**28 March 2011**

**C.G.I.S Savoy Court Limited**  
**Profit and Loss Account**  
**for the year ended 30 June 2010**

	Notes	2010 £	2009 £
<b>Turnover</b>	2	1,256,669	1,291,235
Cost of sales		(16,584)	14,197
<b>Gross profit</b>		<u>1,240,085</u>	<u>1,305,432</u>
Administrative expenses	4	(375)	(150)
Other operating income		294	(500)
<b>Operating profit</b>		<u>1,240,004</u>	<u>1,304,782</u>
Interest receivable		9	129
Interest payable	5	(399,207)	(450,788)
<b>Profit on ordinary activities before taxation</b>		<u>840,806</u>	<u>854,123</u>
Tax on profit on ordinary activities	6	(27,739)	(78,014)
<b>Profit for the financial year</b>	13	<u>813,067</u>	<u>776,109</u>

All results relate to continuing activities

The notes on pages 8 to 12 form part of these financial statements

**C.G.I.S Savoy Court Limited**  
**Statement of total recognised gains and losses**  
**for the year ended 30 June 2010**

	<b>Notes</b>	<b>2010 £</b>	<b>2009 £</b>
Result for the financial year		813,067	776,109
Unrealised surplus/(deficit) on revaluation of properties	12	1,450,000	(1,488,214)
Total recognised gains/(losses) related to the year		<u>2,263,067</u>	<u>(712,105)</u>

The notes on pages 8 to 12 form part of these financial statements



**C.G.I.S Savoy Court Limited**  
**Balance Sheet**  
**as at 30 June 2010**

Company no 04880450

	Notes	2010 £	2009 £
<b>Fixed assets</b>			
Tangible assets	7	19,300,000	17,850,000
<b>Current assets</b>			
Debtors	8	655,114	645,006
<b>Creditors: amounts falling due within one year</b>	9	(14,442,936)	(15,273,634)
<b>Net current liabilities</b>		(13,787,822)	(14,628,628)
<b>Total assets less current liabilities</b>		5,512,178	3,221,372
<b>Provisions for liabilities and charges</b>			
Deferred taxation	10	(105,753)	(78,014)
<b>Net assets</b>		<u>5,406,425</u>	<u>3,143,358</u>
<b>Capital and reserves</b>			
Called up share capital	11	1	1
Revaluation reserve	12	3,792,832	2,342,832
Profit and loss account	13	1,613,592	800,525
<b>Equity Shareholder's funds</b>	14	<u>5,406,425</u>	<u>3,143,358</u>

The financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006

These financial statements were approved by the board of directors on 28 June 2011 and were signed on its behalf by

  
S R Collins  
Director

  
M N Steinberg  
Director

The notes on pages 8 to 12 form part of these financial statements

**C G I S Savoy Court Limited**  
**Notes to the financial statements**  
**for the year ended 30 June 2010**

**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 in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and Applicable Law)

***Properties***

Investment properties are included in the balance sheet at the directors' estimate of their market value at 30 June 2010, which is based upon a valuation from DTZ Debenham Tie Leung Limited. 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.

***Cashflow statement***

A cash flow statement is included in the consolidated financial statements of the ultimate holding company, C G I S Group Limited. 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).

***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.

**C G I S Savoy Court Limited**  
**Notes to the financial statements**  
**for the year ended 30 June 2010**

**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 (2009 Nil)  
The directors received no remuneration for their services to the the company (2009 Nil)

**4 Auditors' remuneration**

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

<b>5 Interest payable</b>	<b>2010</b>	<b>2009</b>
	<b>£</b>	<b>£</b>
Other loans	399,207	450,788
	<u>399,207</u>	<u>450,788</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

<b>6 Taxation</b>	<b>2010</b>	<b>2009</b>
	<b>£</b>	<b>£</b>
UK corporation tax at 28% (2008 29.5%)	-	-
Deferred Tax	27,739	78,014
	<u>27,739</u>	<u>78,014</u>

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

<b>Current taxation reconciliation</b>	<b>2010</b>	<b>2009</b>
	<b>£</b>	<b>£</b>
Profit on ordinary activities before taxation	<u>840,806</u>	<u>854,123</u>
UK corporation tax at 28% (2008 29.5%)	235,426	239,154
Permanently disallowable expenditure	105	1,162
Capital allowances and IBA's	(18,362)	(25,296)
Lease incentive capital item treated as income	10,179	9,103
Tax losses (from)/to group companies	(227,348)	(215,262)
Tax losses utilised in the year	<u>-</u>	<u>(8,861)</u>
	<u>-</u>	<u>-</u>

**C G I S Savoy Court Limited**  
**Notes to the financial statements**  
**for the year ended 30 June 2010**

**7 Tangible fixed assets**

	Freehold land and buildings £
<b>Cost</b>	
At 1 July 2009	17,850,000
Surplus on revaluation	<u>1,450,000</u>
At 30 June 2010	<u>19,300,000</u>
<b>Net book value</b>	
At 30 June 2010	<u>19,300,000</u>
At 30 June 2009	<u>17,850,000</u>

Freehold land and buildings	2010 £	2009 £
Historic cost	<u>15,507,168</u>	<u>15,507,168</u>

The company is a subsidiary of C G I S Group Limited group ("the group") The group has borrowings which are secured against the assets of the group and the company is a guarantor of these borrowings

The group borrowings contain certain financial covenants relating to the market value of the group's property assets in a ratio to the level of outstanding borrowings At 30 June 2010, the group was in full compliance with these ratios

The company's property have been valued as at 30 June 2010 by the Group's independent external valuer, DTZ Debenham Tie Leung, in accordance with the current Practice Statement ("PS") and United Kingdom Practice Statement ("UKPS") contained within the RICS Appraisal and Valuation Standards, 6th edition ('The Red Book')

<b>8 Debtors</b>	2010 £	2009 £
Trade debtors	-	18,497
Other debtors	655,114	626,509
	<u>655,114</u>	<u>645,006</u>

<b>9 Creditors amounts falling due within one year</b>	2010 £	2009 £
Trade creditors	8,108	2,075
Amounts owed to group undertakings	13,943,273	14,798,265
Other creditors	215,809	218,770
Accruals and deferred income	275,746	254,524
	<u>14,442,936</u>	<u>15,273,634</u>

**C G I S Savoy Court Limited**  
**Notes to the financial statements**  
**for the year ended 30 June 2010**

**10 Deferred taxation**

	2010 £	2009 £
At 1 July	78,014	-
Short term timing differences including accelerated capital allowances	27,739	78,014
At 30 June	<u>105,753</u>	<u>78,014</u>

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

	Provided 2010 £	Potential 2010 £	Provided 2009 £	Potential 2009 £
Capital allowances in advance of depreciation	27,739	-	78,014	-
Potential tax on property value gain/deficit	-	1,061,993	-	655,993
	<u>27,739</u>	<u>1,061,993</u>	<u>78,014</u>	<u>655,993</u>

The company has provided £27,739 in deferred tax (2009 £78,014)

**11 Share capital**

	2010 £	2009 £
Allotted, called up and fully paid Ordinary shares of £1 each	<u>1</u>	<u>1</u>

**12 Revaluation reserve**

	2010 £	2009 £
At 1 July	2,342,832	3,831,046
Arising on revaluation during the year	1,450,000	(1,488,214)
At 30 June	<u>3,792,832</u>	<u>2,342,832</u>

**13 Profit and loss account**

	2010 £	2009 £
At 1 July	800,525	24,416
Profit for the financial year	813,067	776,109
At 30 June	<u>1,613,592</u>	<u>800,525</u>

**C G I S Savoy Court Limited**  
**Notes to the financial statements**  
**for the year ended 30 June 2010**

<b>14 Reconciliation of movement in shareholder's funds</b>	<b>2010</b>	<b>2009</b>
	<b>£</b>	<b>£</b>
At 1 July	3,143,358	3,855,463
Profit for the financial year	813,067	776,109
Arising on revaluation during the year	1,450,000	(1,488,214)
At 30 June	<u>5,406,425</u>	<u>3,143,358</u>

**15 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