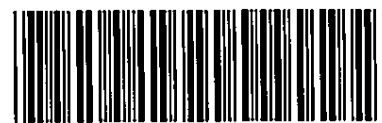


CAH Estates (2) Limited

Report and Financial Statements

31 May 2007

TUESDAY



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18/12/2007
COMPANIES HOUSE

CAH Estates (2) Limited

Registered No 05798194

Directors

E Atkin
C J Atkin

Secretaries

R Harris
B Gold

Auditors

Baker Tilly UK Audit LLP
Chartered Accountants
2 Bloomsbury Street
London WC1B 3ST

Bankers

The Royal Bank of Scotland plc
280 Bishopsgate
London
EC2M 4RB

Registered office

Branch Hill Mews
Branch Hill
London
NW3 7LT

Directors' report

The directors present their report and financial statements for the period ended 31 May 2007.

Results and dividends

The profit for the period after taxation amounted to £60,345. The directors do not recommend the payment of a dividend.

Principal activity and review of the business

The company was incorporated on 27 April 2006. The company is a property investment company which holds two main properties. Both were transferred from a group company during the period.

Directors

The directors who served during the period were as follows

E Atkin	(Appointed 27 April 2006)
C J Atkin	(Appointed 27 April 2006)

Market Value of Land & Buildings

The directors, having regard to professional advice where appropriate, have valued the company's investment properties on an open market and existing use basis at 31 May 2007 at £2,031,344.

Directors' statement as to disclosure of information to auditors

The directors who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditors are unaware. Each of the directors has confirmed that they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

Small companies provisions

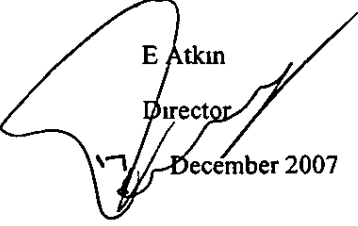
The report of the directors has been prepared in accordance with the special provisions of part VII of the Companies Act 1985 relating to small companies.

Auditors

During the period Baker Tilly UK Audit LLP were appointed as the company's auditors.

A resolution to reappoint Baker Tilly UK Audit LLP, Chartered Accountants, as auditors will be put to the members at the annual general meeting.

On behalf of the Board


E Atkin
Director
December 2007

Statement of directors' responsibilities in respect of the financial statements

The directors are responsible for preparing the Annual 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 the directors have elected to prepare financial statements in accordance with United Kingdom General Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 the company for that period. In preparing those financial statements, the directors are required to

- a select suitable accounting policies and then apply them consistently,
- b make judgements and estimates that are reasonable and prudent,
- c state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- d 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 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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CAH ESTATES (2) LIMITED

We have audited the financial statements on pages 5 to 10

This report is made solely to the company's members, 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 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

The directors' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) 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 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.

In addition, we 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.

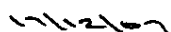
Opinion

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 the company's affairs at 31 May 2007 and of its profit for the period then ended and 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.



BAKER TILLY UK AUDIT LLP
Registered Auditors
Chartered Accountants
2 Bloomsbury Street
London WC1B 3ST



Profit and loss account

for the period ended 31 May 2007

	<i>Notes</i>	2007 £
Turnover		86,137
Administrative expenses		(25,792)
<i>Operating profit</i>	2	60,345
Bank interest payable		-
<i>Profit on ordinary activities before taxation</i>		60,345
Tax on loss on ordinary activities	3	-
<i>Profit for the financial period</i>		60,345

All activities relate to continuing operations

Statement of Total Recognised Gains and Losses

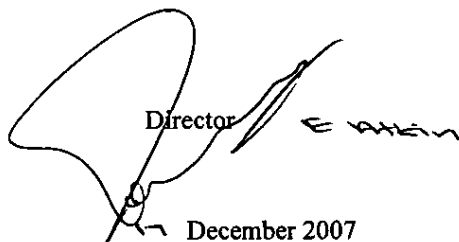
There are no recognised gains or losses other than the profit of £60,345 attributable to the shareholders for the period ended 31 May 2007

Balance sheet

at 31 May 2007

	Notes	2007 £
Fixed assets		
Investment properties	4	2,031,344
Other tangible assets	5	9,266
		<u>2,040,610</u>
Current assets		
Debtors	6	4,723
Cash at bank and in hand		61,207
		<u>65,930</u>
Creditors: amounts falling due within one year	7	(2,046,193)
Net current liabilities		<u>(1,980,263)</u>
Total assets less current liabilities		<u>60,347</u>
Capital and reserves		
Called up share capital	8	2
Profit and loss account		60,345
Equity shareholders' funds	9	<u>60,347</u>

Approved and authorised for issue by the board



 Director

 December 2007

Notes to the financial statements

at 31 May 2007

1. ACCOUNTING POLICIES

Accounting convention

The financial statements are prepared under the historical cost convention modified to include the revaluation of land and buildings and applicable accounting standards

Going Concern

The financial statements have been prepared on a going concern basis, which assumes the company will continue in operational existence and meet its liabilities as they fall due for the foreseeable future. The validity of this assumption is dependent on the continuation of sufficient resources being made available to the company by the principal shareholders of the parent company and the fellow subsidiary undertaking.

On this basis, the directors consider it appropriate to prepare the financial statements on the going concern basis.

Fixed assets

The cost of tangible fixed assets is their purchase cost, together with any incidental expenses of acquisition.

Depreciation is provided on all tangible fixed assets other than investment properties, at rates calculated to write off the cost less estimated residual value based on prices prevailing at the date of acquisition, of each asset over its expected useful life, as follows:

Plant and equipment, fixtures and fittings - 15% straight line

Turnover

Turnover represents rents and other property income receivable for the year, net of Value Added Tax.

Investment Properties

In accordance with Statement of Standard Accounting Practice No 19:

- investment properties are revalued annually and the aggregate surplus or deficit is transferred to a revaluation reserve, and
- no depreciation or amortisation is provided in respect of freehold investment properties.

This treatment, as regards certain of the company's investment properties, may be a departure from the requirements of the Companies Act 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 therefore necessary for the accounts to give a true and fair view. Depreciation or amortisation is only one of the many factors reflected in the annual valuation and the amount which might otherwise have been shown cannot be separately identified or quantified.

Acquisitions and disposals of investments properties are recognised in the financial statements upon completion of the purchase or sale contract.

Notes to the financial statements

at 31 May 2007

2. OPERATING PROFIT

Profit on ordinary activities before taxation is stated after charging

	2007
	£
Depreciation charge for the period	1,635

The audit fee of £2,000 has been borne by another group company

3. TAX

a) Tax on profit on ordinary activities

The tax charge is made up as follows

	2007
	£000
Current tax	
UK Corporation tax	-

b) Factors affecting current tax charges

The tax assessed on the profit on ordinary activities for the period differs from the UK standard rate of corporation tax of 30%. The reason for this is explained below

	2007
	£000
Profit on ordinary activities before taxation	60,345
Profit on ordinary activities multiplied by the standard rate of corporation tax of 30%	18,103
Expenses not deductible for tax purposes	-
Total current tax before group relief	18,103
Group relief surrender	(18,103)

4. INVESTMENT PROPERTIES

	Total
	£
At valuation	
On incorporation	1,773,073
Additions	258,271
Disposals	-
31 May 2007	2,031,344

Notes to the financial statements

at 31 May 2007

Investment properties were transferred from a fellow subsidiary upon incorporation. The directors consider that the current value reflects an open market value of the properties

5. TANGIBLE FIXED ASSETS

	<i>Plant & Equipment</i>	<i>Furniture & Fixtures</i>	<i>Total</i>
	£	£	£
Cost			
On incorporation	-	-	-
Additions	2,982	7,919	10,901
At 31 May 2007	2,982	7,919	10,901
Depreciation			
Depreciation for the period	447	1,188	1,635
At 31 May 2007	447	1,188	1,635
Net book value			
At 31 May 2007	2,535	6,731	9,266

6. DEBTORS

	<i>2007</i>
	£
Prepayments and accrued income	3,441
VAT receivable	1,280
Other debtors	2
	4,723

7. CREDITORS: amounts falling due within one year

	<i>2007</i>
	£
Trade creditors	8,103
Amounts owed to parent company	270,776
Amounts owed to group company	1,767,314
	2,046,193

Notes to the financial statements

at 31 May 2007

8. SHARE CAPITAL

	<i>Authorised 2007 £</i>
Ordinary shares of £1 each	1,000
	<u> </u>
	<i>Allotted, called up and fully paid 2007 £</i>
Ordinary shares of £1 each	2
	<u> </u>

During the period, the company issued 2 ordinary shares of £1 each at par.

9. RECONCILIATION OF SHAREHOLDERS' FUNDS AND MOVEMENT ON RESERVES

	<i>Share capital £</i>	<i>Profit and loss account £</i>	<i>Total shareholders' funds £</i>
Issue of shares during the period	2	-	2
Profit for the period	-	60,345	60,345
	<u> </u>	<u> </u>	<u> </u>
At 31 May 2007	2	60,345	60,347
	<u> </u>	<u> </u>	<u> </u>

10. ULTIMATE CONTROLLING PARTY

The company's immediate parent undertaking is C A Holdings plc, a company registered in England and Wales

E Atkin and C J Atkin are the ultimate controlling parties. According to the register kept by the company, E Atkin and C J Atkin have 45% and 29% respective interests in the equity capital of C A Holdings plc, the parent undertaking of CAH Estates (2) Limited, at 31 May 2007

11. RELATED PARTY TRANSACTIONS

The company has taken advantage of the exemptions from disclosures of transactions with group companies available to subsidiary undertakings under Financial Reporting Standard No 8