

CIBITAS LIMITED

UNAUDITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2011



CIBITAS LIMITED

COMPANY INFORMATION

Directors	S McLoughlin Sir A Cockshaw G Parker
Company secretary	D Harper
Company number	06827419
Registered office	Century House 11 St Peter's Square Manchester M2 3DN
Accountants	PKF (UK) LLP 3 Hardman Street Spinningfields Manchester M3 3HF

CIBITAS LIMITED

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CIBITAS LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2011**

The directors present their report and the financial statements for the year ended 31 December 2011

Principal activities

The company identifies and delivers urban regeneration schemes throughout the United Kingdom

Directors

The directors who served during the year were

S Mccloughlin
Sir A Cockshaw
G Parker

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

This report was approved by the board on 21 August 2012 and signed on its behalf



Sir A Cockshaw
Director

CIBITAS LIMITED

**CHARTERED ACCOUNTANTS' REPORT TO THE BOARD OF DIRECTORS ON THE
UNAUDITED FINANCIAL STATEMENTS OF CIBITAS LIMITED**

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Cibitas Limited for the year ended 31 December 2011 which comprise the profit and loss account, the balance sheet, and the related notes from the company's accounting records and from information and explanations you have given us

As a member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at icaew.com/membershandbook

This report is made solely to the Directors of Cibitas Limited, as a body, in accordance with the terms of our engagement letter dated 04 January 2012. Our work has been undertaken solely to prepare for your approval the financial statements of Cibitas Limited and state those matters that we have agreed to state to the Directors of Cibitas Limited, as a body, in this report in accordance with AAF 2/10 as detailed at icaew.com/compilation. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Cibitas Limited and its Directors as a body for our work or for this report.

It is your duty to ensure that Cibitas Limited has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and loss of Cibitas Limited. You consider that Cibitas Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the financial statements of Cibitas Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the financial statements.



PKF (UK) LLP
Manchester, UK

24 August 2012

CIBITAS LIMITED

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2011**

	Note	2011 £	2010 £
TURNOVER	1,2	187,161	193,033
Administrative expenses		(195,867)	(329,986)
OPERATING LOSS	3	(8,706)	(136,953)
Interest receivable and similar income		19	68
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(8,687)	(136,885)
Tax on loss on ordinary activities	5	-	-
LOSS FOR THE FINANCIAL YEAR	11	(8,687)	(136,885)

All amounts relate to continuing operations

There were no recognised gains and losses for 2011 or 2010 other than those included in the profit and loss account

The notes on pages 5 to 10 form part of these financial statements

CIBITAS LIMITED
REGISTERED NUMBER: 06827419

BALANCE SHEET
AS AT 31 DECEMBER 2011

	Note	£	2011 £	£	2010 £
FIXED ASSETS					
Tangible assets	6		292		437
CURRENT ASSETS					
Debtors	7	13,448		17,105	
Cash at bank		19,681		5,856	
		<u>33,129</u>		<u>22,961</u>	
CREDITORS * amounts falling due within one year	8	(43,767)		(27,835)	
NET CURRENT LIABILITIES			<u>(10,638)</u>		<u>(4,874)</u>
NET ASSETS			<u>(10,346)</u>		<u>(4,437)</u>
CAPITAL AND RESERVES					
Called up share capital	10		189,699		186,921
Profit and loss account	11		<u>(200,045)</u>		<u>(191,358)</u>
SHAREHOLDERS' DEFICIT	12		<u>(10,346)</u>		<u>(4,437)</u>

The directors consider that the company is entitled to exemption from the requirement to have an audit under the provisions of section 477 of the Companies Act 2006 ("the Act") and members have not required the company to obtain an audit for the year in question in accordance with section 476 of the Act

The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at 31 December 2011 and of its loss for the year then ended in accordance with the requirements of sections 394 and 395 of the Act and which otherwise comply with the requirements of the Companies Act 2006 relating to the financial statements so far as applicable to the company

The financial statements were approved and authorised for issue by the board and were signed on its behalf on

21 August 2012


Sir A Cockshaw
 Director

The notes on pages 5 to 10 form part of these financial statements

CIBITAS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2011

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards

1.2 Turnover

Turnover comprises revenue recognised by the company in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts

1.3 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases

Office equipment	-	20% straight line per annum
Computer equipment	-	20% straight line per annum

1.4 Operating leases

Rentals under operating leases are charged to the profit and loss account on a straight line basis over the lease term

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate

1.5 Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse

Deferred tax assets and liabilities are not discounted

1.6 Pensions

The company contributes to personal pension plans

CIBITAS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2011

1. ACCOUNTING POLICIES (continued)

1.7 Going concern

The financial statements have been prepared on the going concern basis, which the directors believe to be appropriate for the following reasons

The company's principal source of revenue is management charges to a related party. The directors have received assurances that the related party has sufficient financial support in order to pay management fees for a period of at least twelve months from the date of approval of these financial statements

This should enable the company to continue in operational existence for the foreseeable future by meeting its liabilities as they fall due for payment. As with any company placing reliance on other entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe it that it will not do so

Based on the information available the directors believe that it remains appropriate to prepare the financial statements on a going concern basis. The financial statements do not include any adjustments that would result from the basis of preparation being inappropriate

2. TURNOVER

The whole of the turnover is attributable to provision of management fees and expenditure recharges

All turnover arose within the United Kingdom

3. OPERATING LOSS

The operating loss is stated after charging

	2011	2010
	£	£
Depreciation of tangible fixed assets		
- owned by the company	145	145
Auditor's remuneration	-	4,775
Operating lease rentals		
- other operating leases	16,560	25,709
	<u>16,560</u>	<u>25,709</u>

During the year, no director received any emoluments (2010 - £NIL)

CIBITAS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2011

4. STAFF COSTS

Staff costs were as follows

	2011 £	2010 £
Wages and salaries	120,323	218,838
Social security costs	12,482	21,138
Other pension costs	5,520	2,210
	<u>138,325</u>	<u>242,186</u>

The average monthly number of employees, including the directors, during the year was as follows

	2011 No.	2010 No.
Full time equivalent staff	<u>2</u>	<u>3</u>

5 TAXATION

	2011 £	2010 £
UK corporation tax charge on loss for the year	<u>-</u>	<u>-</u>

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2010 - higher than) the standard rate of corporation tax in the UK of 26.49% (2010 - 21%). The differences are explained below

	2011 £	2010 £
Loss on ordinary activities before tax	<u>(8,687)</u>	<u>(136,885)</u>
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 26.49% (2010 - 21%)	<u>(2,301)</u>	<u>(28,746)</u>

Effects of:

Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	34	1,163
Capital allowances for year in (excess)/deficit of depreciation	(587)	(589)
Losses carried forward	2,854	28,172

Current tax charge for the year (see note above)

	<u>-</u>	<u>-</u>
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Factors that may affect future tax charges

The company has losses of £199,219 (2010 - £188,472) to carry forward against future profits. A deferred tax asset has not been provided in respect of losses carried forward due to the uncertainty of utilising this against future taxable profits.

CIBITAS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2011**

6. TANGIBLE FIXED ASSETS

	Fixtures & fittings £
Cost	
At 1 January 2011 and 31 December 2011	<u>727</u>
Depreciation	
At 1 January 2011	290
Charge for the year	<u>145</u>
At 31 December 2011	<u>435</u>
Net book value	
At 31 December 2011	<u>292</u>
At 31 December 2010	<u>437</u>

7. DEBTORS

	2011 £	2010 £
Trade debtors	685	651
Other debtors	5,567	5,567
Prepayments and accrued income	7,196	10,887
	<u>13,448</u>	<u>17,105</u>

**8. CREDITORS:
Amounts falling due within one year**

	2011 £	2010 £
Trade creditors	33,929	19,812
Social security and other taxes	9,088	3,273
Accruals and deferred income	750	4,750
	<u>43,767</u>	<u>27,835</u>

CIBITAS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2011**

9. DEFERRED TAXATION

	2011 £	2010 £
At beginning and end of year	-	-

The provision for deferred taxation is made up as follows

	2011 £	2010 £
Accelerated capital allowances	-	(2,387)
Tax losses carried forward	-	(39,047)
Asset not provided	-	41,434
Total	-	-

10. SHARE CAPITAL

	2011 £	2010 £
Allotted, called up and fully paid		
189,699 (2010 - 186,921) Ordinary shares of £1 each	189,699	186,921

During the year 2,778 shares with a nominal value of £1 each were issued for cash at par

11. RESERVES

	Profit and loss account £
At 1 January 2011	(191,358)
Loss for the year	(8,687)
At 31 December 2011	(200,045)

12. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' DEFICIT

	2011 £	2010 £
Opening shareholders' (deficit)/funds	(4,437)	35,716
Loss for the year	(8,687)	(136,885)
Shares issued during the year	2,778	96,732
Closing shareholders' deficit	(10,346)	(4,437)

CIBITAS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2011

13 OPERATING LEASE COMMITMENTS

At 31 December 2011 the company had annual commitments under non-cancellable operating leases as follows

	Land and buildings	
	2011	2010
	£	£
Expiry date.		
Within 1 year	-	14,167

14 RELATED PARTY TRANSACTIONS

Shawbridge Management Limited, a shareholder, provided the company with third party staff during the year for amounts totalling £48,382 (2010 £49,124) Cibitas Limited recharged expenses totalling £3,357 (2010 £9,447) in respect of staff costs and rent to Shawbridge Management Limited At the year end £33,455 (2010 £19,214) was payable to Shawbridge Management Limited

During the year 1,389 (2010 32,244) £1 ordinary shares were issued at par to the shareholder ING Real Estate Development UK Limited

During the year Nil (2010 32,244) £1 ordinary shares were issued at par to the shareholder Shawbridge Management Limited

During the year 1,389 (2010 32,244) £1 ordinary shares were issued at par to the shareholder Waystone Limited

During the year, the company entered in to the following arrangements with Cibitas Investments (East Manchester) Limited

- Provision of management services totalling £161,061 (2010 £190,884) were charged

An amount of £Nil was due from Cibitas Investments (East Manchester) Limited at 31 December 2011 (2010 - £Nil)

Cibitas Investments (East Manchester) Limited's shareholders consist of the following, ING Real Estate Development UK Limited, Shawbridge Management Limited and Waystone Limited who are also shareholders of Cibitas Limited