

Registered number
07236261

CGIS Priory House Limited
Directors Report and Financial Statements
30 June 2014

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CGIS Priory House Limited
Report and financial statements
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CGIS Priory House Limited

Registered number: 07236261

Directors' Report

The directors present their report and financial statements for the year ended 30 June 2014.

Principal activities

The company's principal activity during the year continued to be property investment.

Directors

The following persons served as directors during the year:

T S Cole
S R Collins
M N Steinberg

Disclosure of information to auditors

Each person who was a director at the time this report was approved confirms that:

- so far as he is aware, there is no relevant audit information of which the company's auditor is unaware; and
- he has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Small company provisions

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

This report was approved by the board on 30 March 2015 and signed on its behalf.



M N Steinberg
Director

Registered Office:
10 Upper Berkeley Street
London
W1H 7PE

CGIS Priory House 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 financial statements 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 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 adequate accounting records that are sufficient to show and explain the company's transactions and 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.

CGIS Priory House Limited
Independent auditors' report
to the shareholders of CGIS Priory House Limited

We have audited the financial statements of CGIS Priory House Limited for the year ended 30 June 2014 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 Statement of Directors' Responsibilities, 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 and express an opinion on 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 (APB's) Ethical Standards for Auditors.

Scope of the audit of the accounts

A description of the scope of the audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

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 2014 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.

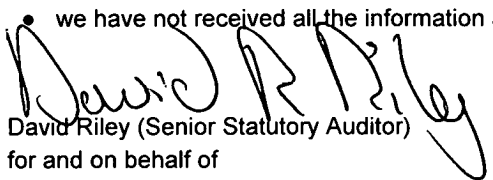
Opinion on other matters prescribed by the Companies Act 2006

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

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 Auditors

haysmacintyre
London
WC1R 4AG

30 March 2015

CGIS Priory House Limited
Profit and Loss Account
for the year ended 30 June 2014

	Notes	2014 £	2013 £
Turnover	2	691,857	679,168
Cost of sales		(1,544)	(213,524)
Gross profit		<u>690,313</u>	<u>465,644</u>
Administrative expenses		-	(10)
Operating profit	4	<u>690,313</u>	<u>465,634</u>
Interest receivable		-	43
Interest payable	5	(324,072)	(349,761)
Profit on ordinary activities before taxation		<u>366,241</u>	<u>115,916</u>
Tax on profit on ordinary activities	6	-	-
Profit for the financial year		<u>366,241</u>	<u>115,916</u>

Continuing Activities

All the above results relate to continuing activities.

CGIS Priory House Limited
Statement of total recognised gains and losses
for the year ended 30 June 2014

	Notes	2014 £	2013 £
Profit for the financial year		366,241	115,916
Unrealised surplus on revaluation of properties	7	2,113,577	410,000
Total recognised gains and losses related to the year		<u>2,479,818</u>	<u>525,916</u>

CGIS Priory House Limited
Balance Sheet
as at 30 June 2014

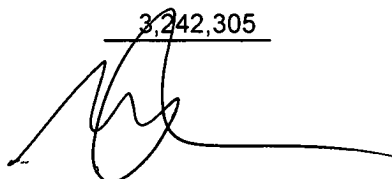
Company number: 07236261

	Notes	2014 £	2013 £
Fixed assets			
Investment Properties	7	12,935,000	10,780,000
Current assets			
Debtors	8	277,053	347,686
Creditors: amounts falling due within one year	9	(9,969,748)	(10,365,199)
Net current liabilities		(9,692,695)	(10,017,513)
Total assets less current liabilities		3,242,305	762,487
Net assets		3,242,305	762,487
Capital and reserves			
Called up share capital	10	1	1
Revaluation reserve	11	2,377,534	263,957
Profit and loss account	12	864,770	498,529
Shareholders' funds		3,242,305	762,487



S R Collins
 Director

Approved by the board on 30 March 2015



M N Steinberg
 Director

CGIS Priory House Limited
Notes to the Financial Statements
for the year ended 30 June 2014

1 Accounting policies

Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Turnover

Turnover represents the value, net of value added tax and discounts, of goods provided to customers and work carried out in respect of services provided to customers.

Deferred taxation

Full provision is made for deferred taxation resulting from timing differences between the recognition of gains and losses in the accounts and their recognition for tax purposes. Deferred taxation is calculated on an un-discounted basis at the tax rates which are expected to apply in the periods when the timing differences will reverse.

Properties

Investment properties are included in the balance sheet at their market value at 30 June 2014, which is based upon valuations provided by DTZ Debenham Tie Leung Limited. Temporary surpluses or deficits arising on valuation are transferred to a revaluation reserve. Permanent impairment in the value of properties to below their carrying values is 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 2006 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 financial statements 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 statements is included in the consolidated financial statements of the ultimate holding company CGIS Group (Holdings) 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 (Holdings) Limited, it has taken advantage of the exemption contained in Financial Reporting Standard 8 and has therefore not disclosed transactions with other wholly owned subsidiaries of the group.

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.

CGIS Priory House Limited
Notes to the Financial Statements
for the year ended 30 June 2014

3 Staff numbers and costs

Except for the directors, there were no persons employed by the company during the period. The directors received no remuneration for their services to the company.

4 Operating profit

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

5 Interest payable	2014	2013
	£	£
Interest payable	324,072	349,761
	<u>324,072</u>	<u>349,761</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 financial statements, 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 financial statements.

6 Taxation	2014	2013
	£	£
UK corporation tax	-	-
	<u>-</u>	<u>-</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:-

	2014	2013
	£	£
Profit on ordinary activities before taxation	<u>366,241</u>	<u>115,916</u>
UK corporation tax at 23/21% (2013:24/23%) on profits before tax	82,409	27,531
Expenses not deductible for tax purposes	-	46,447
Tax losses from group companies	<u>(82,409)</u>	<u>(73,978)</u>
	<u>-</u>	<u>-</u>

The company has provided for deferred tax of £nil in respect of fixed asset timing differences. Potential unprovided deferred tax liabilities on property value surpluses are £134,007.

CGIS Priory House Limited
Notes to the Financial Statements
for the year ended 30 June 2014

7 Tangible Fixed Assets

	Investment Properties £	Total £
Cost		
At 1 July 2013	10,780,000	10,780,000
Additions	41,423	41,423
Surplus on revaluation	2,113,577	2,113,577
At 30 June 2014	<u>12,935,000</u>	<u>12,935,000</u>
Net book value		
At 30 June 2014	<u>12,935,000</u>	<u>12,935,000</u>
At 30 June 2013	<u>10,780,000</u>	<u>10,780,000</u>
 Freehold land and buildings:	 2014	 2013
	£	£
Historical cost	<u>10,516,043</u>	<u>10,516,043</u>

The company is a subsidiary of C.G.I.S Group (Holdings) 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 2014, the group was in full compliance with these ratios.

The company's property have been valued as at 30 June 2014 by the directors based on a valuation provided by the Group's independent external valuer, DTZ Debenham Tie Leung, in accordance with the current Valuation Standards ("VS") and United Kingdom Valuation Standards ("UKVS") contained within the RICS Appraisal and Valuation Standards, 9th edition ('The Red Book').

8 Debtors	2014	2013
	£	£
Other debtors	277,053	347,686
	<u>277,053</u>	<u>347,686</u>
 9 Creditors: amounts falling due within one year	 2014	 2013
	£	£
Trade creditors	5,733	14,842
Amounts owed to parent undertaking	9,724,751	10,137,587
Accruals and deferred income	151,572	142,574
Other creditors	87,692	70,196
	<u>9,969,748</u>	<u>10,365,199</u>

CGIS Priory House Limited
Notes to the Financial Statements
for the year ended 30 June 2014

10 Share capital	Nominal value	2014 Number	2014 £	2013 £
Allotted, called up and fully paid:				
Ordinary shares	£1 each	1	1	1
			<u>1</u>	<u>1</u>

11 Revaluation reserve	2014 £
At 1 July 2013	263,957
Arising on revaluation during the year	2,113,577
	<u>2,377,534</u>
At 30 June 2014	

12 Profit and loss account	2014 £
At 1 July 2013	498,529
Profit for the year	366,241
	<u>864,770</u>
At 30 June 2014	

13 Reconciliation of movement in shareholders' funds	2014 £	2013 £
At 1 July	762,487	236,571
Result for the financial year	366,241	115,916
Arising on revaluation during year	2,113,577	410,000
At 30 June	<u>3,242,305</u>	<u>762,487</u>

14 Ultimate controlling party

The company's immediate parent company is CGIS Group Limited

The largest and smallest group into which the company is consolidated is CGIS Group (Holdings) Limited, a company registered in England and Wales.

The company is ultimately controlled by the directors.