

Registered number  
07684285

**CGIS Logistics Limited**  
**Directors Report and Financial Statements**  
**30 June 2012**

TUESDAY



L30      \*L27D02GZ\*      #161  
30/04/2013  
COMPANIES HOUSE

**CGIS Logistics Limited****Registered number:****07684285****Directors' Report**

The directors present their report and financial statements for the period ended 30 June 2012

**Principal activities**

The company was incorporated on the 27th June 2011, and commenced trading on the 25th July 2011. Its principal activity is property investment.

**Directors**

The following persons served as directors during the period

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

**Auditors**

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

This report was approved by the board on 14 March 2013 and signed on its behalf



M N Steinberg  
Director

Registered Office  
10 Upper Berkeley Street  
London  
W1H 7PE

## **CGIS Logistics 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 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 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 Logistics Limited**  
**Independent auditors' report**  
**to the shareholders of CGIS Logistics Limited**

We have audited the financial statements of CGIS Logistics Limited for the period ended 30 June 2012 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 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. In addition, we read all the financial and non-financial information in the Directors' Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

**Opinion on the accounts**

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 30 June 2012 and of its profit for the period 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 period for which the accounts are prepared is consistent with the accounts.

**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  
14 March 2013

Fairfax House  
15 Fulwood Place  
London  
WC1V 6AY

**CGIS Logistics Limited**  
**Profit and Loss Account**  
**for the period from 27 June 2011 to 30 June 2012**

	<b>Notes</b>	<b>2012 £</b>
<b>Turnover</b>	<b>2</b>	<b>961,874</b>
Cost of sales		(103,618)
<b>Gross profit</b>		<b>858,256</b>
Administrative expenses		(13,736)
<b>Operating profit</b>		<b>844,520</b>
Exceptional items profit on the disposal of tangible fixed assets		598,637
		<b>1,443,157</b>
Interest payable	<b>5</b>	(402,159)
<b>Profit on ordinary activities before taxation</b>		<b>1,040,998</b>
Tax on profit on ordinary activities	<b>6</b>	-
<b>Profit for the period</b>		<b>1,040,998</b>

**CGIS Logistics Limited**  
**Statement of total recognised gains and losses**  
**for the period from 27 June 2011 to 30 June 2012**

	Notes	2012 £
Profit for the period		1,040,998
Unrealised surplus on revaluation of properties	7	2,619,449
Total recognised gains and losses related to the period		<u>3,660,447</u>

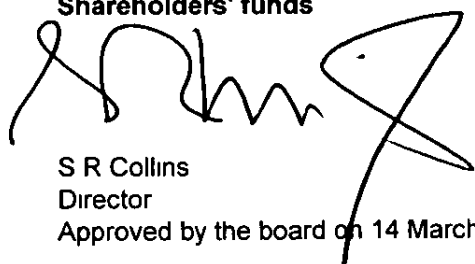
**CGIS Logistics Limited**  
**Balance Sheet**  
**as at 30 June 2012**

Registered number 07684285

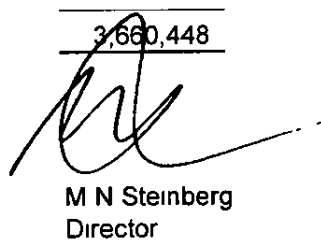
	Notes	2012 £
<b>Fixed assets</b>		
Investment Property	7	9,956,000
<b>Current assets</b>		
Debtors	8	4,444,003
Cash at bank and in hand		<u>345,465</u>
		4,789,468
<b>Creditors. amounts falling due within one year</b>	9	(913,228)
<b>Net current assets</b>		<u>3,876,240</u>
<b>Total assets less current liabilities</b>		<u>13,832,240</u>
<b>Creditors: amounts falling due after more than one year</b>	10	(10,171,792)
<b>Net assets</b>		<u>3,660,448</u>
<b>Capital and reserves</b>		
Called up share capital	13	1
Revaluation reserve	14	2,619,449
Profit and loss account	15	1,040,998

**Shareholders' funds**

3,660,448



S R Collins  
 Director  
 Approved by the board on 14 March 2013



M N Steinberg  
 Director

**CGIS Logistics Limited**  
**Notes to the Accounts**  
**for the period from 27 June 2011 to 30 June 2012**

**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

***Basis of preparation***

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 2012. 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 SSAP19 (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 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 cashflow 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 cashflow 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 which form part of the group (or investees of the group qualifying as related parties).

***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.



**CGIS Logistics Limited**  
**Notes to the Accounts**  
**for the period from 27 June 2011 to 30 June 2012**

**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 period. The directors received no remuneration for their services to the company.

**4 Auditors remuneration**

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

**5 Interest payable**

**2012**  
**£**

Interest payable	402,159
	<u>402,159</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 loss arises in its accounts.

**6 Taxation**

**2012**  
**£**

UK corporation tax	-
Deferred tax	-
	<u>-</u>

**Current taxation reconciliation**

Profit on ordinary activities before taxation	<u>1,040,998</u>
UK corporation tax at 24/26% on profits before taxation	265,103
Permanently disallowable expenditure	11,887
Accounting profit in excess of chargeable gain	(152,661)
Capital allowances	(2)
Tax losses from group companies	<u>(124,327)</u>
	<u>-</u>

The company had provided no deferred tax liability and £626,389 unprovided deferred tax liability regarding potential tax on property value surplus as at 30 June 2012.

**CGIS Logistics Limited**  
**Notes to the Accounts**  
**for the period from 27 June 2011 to 30 June 2012**

**7 Investment Property**

	<b>Land and buildings £</b>	<b>Total £</b>
<b>Cost</b>		
At 27 June 2011	-	-
Additions	8,403,636	8,403,636
Surplus on revaluation	2,619,449	2,619,449
Disposals	<u>(1,067,085)</u>	<u>(1,067,085)</u>
At 30 June 2012	<u>9,956,000</u>	<u>9,956,000</u>
 <b>Net book value</b>		
At 30 June 2012	<u>9,956,000</u>	<u>9,956,000</u>
At 26 June 2011	<u>-</u>	<u>-</u>

Freehold land and buildings

**2012  
£**

Historical cost

7,336,551

The company's property has been valued as at 30 June 2012 by the directors based on valuations provided by the Group's internal property surveyors

**8 Debtors**

**2012  
£**

Trade debtors	3,998
Amounts owed by parent undertaking	14,290
Amounts owed by fellow subsidiary	4,290,251
Other debtors	<u>135,464</u>
	<u>4,444,003</u>

**9 Creditors, amounts falling due within one year**

**2012  
£**

Bank loans and overdrafts	360,000
Trade creditors	193,418
Accruals and deferred income	<u>359,810</u>
	<u>913,228</u>

**CGIS Logistics Limited**  
**Notes to the Accounts**  
**for the period from 27 June 2011 to 30 June 2012**

<b>10 Creditors: amounts falling due after one year</b>	<b>2012</b>
	<b>£</b>
Bank loans	5,129,790
Other loan	<u>5,042,002</u>
	<u>10,171,792</u>

Included in other loans is a balance of £2,862,002 payable to CGIS Group Limited. The balance has been provided interest free and is repayable in 2016.

Also included in other loans is a balance of £1,170,000. The balance attracts interest at a rate of 15% and is repayable in full in 2016.

The remaining other loans are repayable in 2016 and were provided interest free.

<b>Analysis of maturity of debt:</b>	<b>2012</b>
	<b>£</b>
Within one year or on demand	360,000
Between one and two years	360,000
Between two and five years	<u>4,769,790</u>
	<u>5,489,790</u>

<b>11 Loans</b>	<b>2012</b>
	<b>£</b>
Creditors include	
Secured bank loans	<u>5,489,790</u>

**Bank loans**

The bank loan attracts interest at a rate of 2.5% over LIBOR plus MLA. The bank loan is secured by a legal mortgage and fixed and floating charges over the company's properties, together with a rental income assignment over the rental income due from the company's properties. The company has used interest rate swaps to generate the desired interest profile and to manage the company's exposure to interest rate fluctuations. At the year end 61.93% of the company's bank loans were at a fixed rate after taking account of interest rate swaps.

**CGIS Logistics Limited**  
**Notes to the Accounts**  
**for the period from 27 June 2011 to 30 June 2012**

**12 Provisions for liabilities**

Deferred taxation	<b>2012</b>
	<b>£</b>
Accelerated capital allowances	-
	<hr/>
	-
	<hr/>
	<b>2012</b>
	<b>£</b>
At 27 June	-
Deferred tax charge in profit and loss account	-
	<hr/>
At 30 June	-
	<hr/>

<b>13 Share capital</b>	<b>Nominal value</b>	<b>2012 Number</b>	<b>2012 £</b>
Allotted, called up and fully paid Ordinary shares	£1 each	-	1
			<hr/>
			1
			<hr/>
	<b>Nominal value</b>	<b>Number</b>	<b>Amount £</b>
Shares issued during the period Ordinary shares	£1 each	1	1
			<hr/>
			1
			<hr/>

The ordinary share was issued at par

<b>14 Revaluation reserve</b>	<b>2012</b>
	<b>£</b>
At 27 June 2011	-
Arising on revaluation during the period	2,619,449
	<hr/>
At 30 June 2012	2,619,449
	<hr/>

**CGIS Logistics Limited**  
**Notes to the Accounts**  
**for the period from 27 June 2011 to 30 June 2012**

**15 Profit and loss account** **2012**  
**£**

At 27 June 2011	-
Profit for the period	1,040,998
	<hr/>
At 30 June 2012	1,040,998

**16 Related party transactions** **2012**  
**£**

<b>Marcol Industrial Management LLP</b>	
Under common control	
Management fees were charged in the profit and loss account of £45,454	
Amount due (to) the related party	(45,454)

**16 Ultimate controlling party**

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 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

**CGIS Logistics Limited**  
**Detailed profit and loss account**  
**for the period from 27 June 2011 to 30 June 2012**

	<b>2012</b>
	<b>£</b>
<b>Sales</b>	961,874
Cost of sales	(103,618)
<b>Gross profit</b>	<u>858,256</u>
Administrative expenses	(13,736)
<b>Operating profit</b>	<u>844,520</u>
Exceptional items	598,637
Interest payable	(402,159)
<b>Profit before tax</b>	<u>1,040,998</u>

**CGIS Logistics Limited**  
**Detailed profit and loss account**  
**for the period from 27 June 2011 to 30 June 2012**

	<b>2012</b>
	<b>£</b>
<b>Sales</b>	
Sales	961,874
	<u>961,874</u>
 <b>Cost of sales</b>	
Other direct costs	103,618
	<u>103,618</u>
 <b>Administrative expenses</b>	
General administrative expenses	
Bank charges	136
	<u>136</u>
Legal and professional costs	
Other legal and professional	13,600
	<u>13,600</u>
	<u>13,736</u>