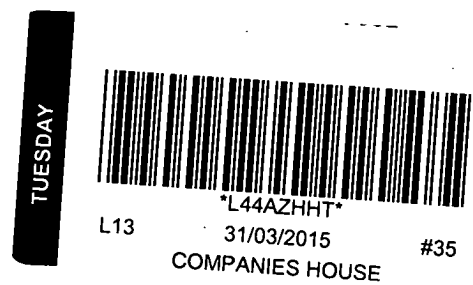


Registered number
07684285

CGIS Logistics Limited
Directors Report and Financial Statements
30 June 2014



CGIS Logistics Limited
Report and accounts
Contents

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

CGIS Logistics Limited

Registered number: 07684285

Directors' Report

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

Principal activities

The company's principal activity 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

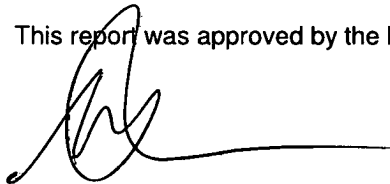
Each person who was a director at the time this report was approved confirms that:

- 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.

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 13/05/2015.. 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 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 Logistics Limited
Independent auditors' report
to the shareholders of CGIS Logistics Limited

We have audited the financial statements of CGIS Logistics 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 financial statements

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

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 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 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
13/03/2015..

26 Red Lion Square
London
WC1R 4AG

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

	Notes	2014 £	2013 £
Turnover	2	1,128,596	1,018,263
Cost of sales		(158,139)	(74,842)
Gross profit		<u>970,457</u>	<u>943,421</u>
Administrative expenses		(214,633)	(14,113)
Other operating income		-	400,000
Operating profit		<u>755,824</u>	<u>1,329,308</u>
Exceptional items: profit/(loss) on the disposal of tangible fixed assets		5,161,012	(18,000)
		<u>5,916,836</u>	<u>1,311,308</u>
Interest payable	5	(305,373)	(316,600)
Profit on ordinary activities before taxation		<u>5,612,142</u>	<u>994,708</u>
Tax on profit on ordinary activities	6	(11,953)	(352,088)
Profit for the financial year		<u>5,600,189</u>	<u>642,620</u>

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

	Notes	2014 £	2013 £
Profit for the financial year		5,600,189	642,620
Unrealised surplus on revaluation of properties	7	310,442	566,034
Total recognised gains and losses related to the year		<u>5,910,631</u>	<u>1,208,654</u>
Prior year adjustments		-	-
Total recognised gains and losses since last financial statements		<u>5,910,631</u>	<u>1,208,654</u>

CGIS Logistics Limited
Balance Sheet
as at 30 June 2014

Company number: 07684285

	Notes	2014 £	2013 £
Fixed assets			
Investment Property	7	10,390,000	10,548,000
Current assets			
Debtors	8	7,165,538	1,665,503
Cash at bank and in hand		<u>769,378</u>	<u>425,244</u>
		7,934,916	2,090,747
Creditors: amounts falling due within one year	9	(5,252,375)	(1,096,737)
Net current assets		<u>2,682,541</u>	<u>994,010</u>
Total assets less current liabilities		<u>13,072,541</u>	<u>11,542,010</u>
Creditors: amounts falling due after more than one year	10	(5,132,000)	(9,512,100)
Provisions for liabilities	12	(2)	(2)
Net assets		<u>7,940,539</u>	<u>2,029,908</u>
Capital and reserves			
Called up share capital	13	1	1
Revaluation reserve	14	607,476	297,034
Profit and loss account	15	7,333,062	1,732,873
Shareholders' funds		<u>7,940,539</u>	<u>2,029,908</u>

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

S R Collins
 Director

Approved by the board on 13/03/2015

CGIS Logistics Limited
Notes to the Accounts
for the year ended 30 June 2014

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 their market value at 30 June 2014. 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 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 (No 3) 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 (No.3) Limited, it has taken advantage of the exemption contained in Financial Reporting Standard 8 and has therefore not disclosed transactions with wholly owned fellow subsidiaries.

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 year ended 30 June 2014

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 (No.3) Limited.

5 Interest payable	2014	2013
	£	£
Interest payable	<u>305,373</u>	<u>316,600</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	2014	2013
	£	£
UK corporation tax	11,953	352,086
Deferred tax	-	2
	<u>11,953</u>	<u>352,088</u>
Current taxation reconciliation	2014	2013
	£	£
Profit on ordinary activities before taxation	<u>5,612,142</u>	<u>994,708</u>
UK corporation tax at 24/21% (2013: 26/24%) on profits before taxation	1,262,809	236,250
Permanently disallowable expenditure	16,401	4,364
Non taxable income	(1,161,264)	-
Tax losses from group companies	(105,993)	-
Payment for group relief in the previous period	-	111,472
	<u>11,953</u>	<u>352,086</u>

The company had provided £2 deferred tax and £609,059 unprovided deferred tax liability regarding potential tax on property value surplus as at 30 June 2013.

CGIS Logistics Limited
Notes to the Accounts
for the year ended 30 June 2014

7 Tangible Fixed Assets

	Investment Properties £	Total £
Cost		
At 1 July 2013	10,548,000	10,548,000
Additions	(468,442)	(468,442)
Deficit on revaluation	310,442	310,442
At 30 June 2014	<u>10,390,000</u>	<u>10,390,000</u>
 Net book value		
At 30 June 2014	<u>10,390,000</u>	<u>10,390,000</u>
At 30 June 2013	<u>10,548,000</u>	<u>10,548,000</u>

Freehold land and buildings:	2014	2013
	£	£
Historical cost	<u>10,284,373</u>	<u>10,250,966</u>

The company's property has been valued as at 31 March 2014 by the directors based on valuations provided by the Group's independent external valuer, CBRE. These valuations have been prepared in accordance with the current Valuation Standards ("VS") and United Kingdom Valuation Standards ("UKVS") contained within the RICS Appraisal and Valuation Standards, 8th edition ("The Red Book").

8 Debtors	2014	2013
	£	£
Trade debtors	55,141	-
Amounts owed by fellow subsidiary	6,898,497	1,503,625
Other debtors	211,900	161,878
	<u>7,165,538</u>	<u>1,665,503</u>

9 Creditors: amounts falling due within one year	2014	2013
	£	£
Bank loans and overdrafts	-	360,000
Trade creditors	154,395	166,805
Amounts owed to parent undertaking	4,583,210	233,082
Corporation tax	11,953	-
Other taxes and social security costs	172,642	52,974
Accruals and deferred income	330,175	283,876
	<u>5,252,375</u>	<u>1,096,737</u>

CGIS Logistics Limited
Notes to the Accounts
for the year ended 30 June 2014

10 Creditors: amounts falling due after one year	2014	2013
	£	£
Bank loans	5,132,000	4,870,098
Other loan	-	4,642,002
	<u>5,132,000</u>	<u>9,512,100</u>

Analysis of maturity of debt:	2014	2013
	£	£
Between one and two years	200,000	360,000
Between two and five years	4,932,000	4,772,000
After five years		
	<u>5,132,000</u>	<u>5,132,000</u>

11 Loans	2014	2013
	£	£
Creditors include:		
Secured bank loans	<u>5,132,000</u>	<u>5,230,098</u>

Bank loans

The bank loan attracts interest at a rate of 2.65% (2013: 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 59.85% 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 year ended 30 June 2014

12 Provisions for liabilities

Deferred taxation:

	2014	2013
	£	£
Accelerated capital allowances	2	2
	<u>2</u>	<u>2</u>

	2014	2013
	£	£
At 1 July	2	-
Deferred tax charge in profit and loss account	-	2
	<u>2</u>	<u>2</u>
At 30 June	<u>2</u>	<u>2</u>

13 Share capital

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

14 Revaluation reserve

	2014 £
At 1 July 2013	297,034
Arising on revaluation during the year	310,442
	<u>607,476</u>
At 30 June 2014	<u>607,476</u>

15 Profit and loss account

	2014 £
At 1 July 2013	1,732,873
Profit for the year	5,600,189
	<u>7,333,062</u>
At 30 June 2014	<u>7,333,062</u>

CGIS Logistics Limited
Notes to the Accounts
for the year ended 30 June 2014

16 Related party transactions	2014	2013
	£	£
Marcol Industrial Management LLP		
Under common control		
Management fees were charged in the profit and loss account		
Amount charged by the related party	(135,771)	(49,400)

17 Ultimate controlling party

The largest and smallest group into which the company is consolidated is C.G.I.S. Group (No.3) 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 (No.3) Limited, a company registered in England and Wales.

The company is ultimately controlled by the directors.

18 Post year end events

Since the year end, the company has completed on the sale of its investment properties for a consideration of £10,150,000.

CGIS Logistics Limited
Detailed profit and loss account
for the year ended 30 June 2014

	2014 £	2013 £
Sales	1,128,596	1,018,263
Cost of sales	(158,139)	(74,842)
Gross profit	<u>970,457</u>	<u>943,421</u>
Administrative expenses	(214,633)	(14,113)
Other operating income	-	400,000
Operating profit	<u>755,824</u>	<u>1,329,308</u>
Exceptional items	5,161,012	(18,000)
Interest payable	(305,373)	(316,600)
Profit before tax	<u>5,612,142</u>	<u>994,708</u>

CGIS Logistics Limited
Detailed profit and loss account
for the year ended 30 June 2014

	2014 £	2013 £
Sales		
Sales	1,128,596	1,018,263
	<u>1,128,596</u>	<u>1,018,263</u>
Cost of sales		
Other direct costs	158,139	74,842
	<u>158,139</u>	<u>74,842</u>
Administrative expenses		
Staff training and welfare	-	85
Bank charges	218	53
Sundry expenses	91,552	-
	<u>91,770</u>	<u>53</u>
Legal and professional costs:		
Audit fees	5,250	-
Other legal and professional	117,613	13,975
	<u>122,863</u>	<u>13,975</u>
	<u>214,633</u>	<u>14,113</u>
Other operating income		
Other operating income	-	400,000
	<u>-</u>	<u>400,000</u>