

REGISTERED NUMBER: 4126529 (England and Wales)

Abbreviated Accounts for the Year Ended 30 April 2006forCitygrove Investments Limited

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Citygrove Investments Limited

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for the Year Ended 30 April 2006

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Citygrove Investments Limited

Company Information
for the Year Ended 30 April 2006

DIRECTOR:

T R Baines

SECRETARY:

A J Rennie

REGISTERED OFFICE:

The White House
2 Meadow
Godalming
Surrey
GU7 3HN

REGISTERED NUMBER:

4126529 (England and Wales)

AUDITORS:

Hughes Waddell
The White House
2 Meadow
Godalming
Surrey
GU7 3HN

Report of the Independent Auditors to
Citygrove Investments Limited
Under Section 247B of the Companies Act 1985

We have examined the abbreviated accounts set out on pages three to six, together with the financial statements of Citygrove Investments Limited for the year ended 30 April 2006 prepared under Section 226 of the Companies Act 1985.

This report is made solely to the company, in accordance with Section 247B of the Companies Act 1985. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special 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, for our work, for this report, or for the opinions we have formed.

Respective responsibilities of director and auditors

The director is responsible for preparing the abbreviated accounts in accordance with Section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with Sections 246(5) and (6) of the Act to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with those provisions and to report our opinion to you.

Basis of opinion

We conducted our work in accordance with Bulletin 2006/3 "The Special Auditor's Report on Abbreviated Accounts in the United Kingdom" issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Sections 246(5) and (6) of the Companies Act 1985, and the abbreviated accounts have been properly prepared in accordance with those provisions.

Hughes Waddell

Hughes Waddell
The White House
2 Meadow
Godalming
Surrey
GU7 3HN

26 February 2007

Citygrove Investments Limited

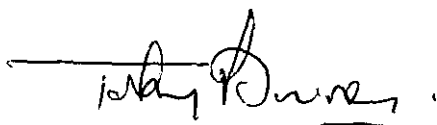
Abbreviated Balance Sheet

30 April 2006

	Notes	30.4.06 £	£	30.4.05 £	£
FIXED ASSETS					
Investments	2		250,000		-
Investment property	3		-		4,881,668
			<u>250,000</u>		<u>4,881,668</u>
CURRENT ASSETS					
Debtors		93,796		47,816	
Cash at bank		100,136		8,345	
		<u>193,932</u>		<u>56,161</u>	
CREDITORS					
Amounts falling due within one year		<u>364,877</u>		<u>144,773</u>	
NET CURRENT LIABILITIES			<u>(170,945)</u>		<u>(88,612)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			79,055		4,793,056
CREDITORS					
Amounts falling due after more than one year	4		-		3,000,000
NET ASSETS			<u>79,055</u>		<u>1,793,056</u>
CAPITAL AND RESERVES					
Called up share capital	5		100		100
Revaluation reserve			-		1,858,156
Profit and loss account			78,955		(65,200)
SHAREHOLDERS' FUNDS			<u>79,055</u>		<u>1,793,056</u>

These abbreviated accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

The financial statements were approved by the director on 26 February 2007 and were signed by:



T R Baines - Director

Citygrove Investments Limited

Notes to the Abbreviated Accounts for the Year Ended 30 April 2006

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005).

Turnover

Turnover consists of proceeds from sale of investment properties and rents receivable from investment properties. Rents receivable from investment properties are accounted for on a straight line basis spread over the term of the lease excluding any initial rent free period. Turnover is stated net of VAT.

Investment property

In accordance with the Financial Reporting Standard for Smaller Entities, no depreciation is provided in respect of the company's freehold investment property. This treatment is a departure from the requirements of Schedule 4 to the Companies Act 1985 concerning the depreciation of fixed assets. The property is not held for consumption but for investment and the director considers that systematic annual depreciation would be inappropriate. The accounting treatment constitutes an override of the Companies Act requirement to depreciate fixed assets and is necessary to give a true and fair view.

Deferred tax

Deferred taxation is provided on all reversible timing differences that arise when comparing the accounting profit with the profits that are chargeable to taxation. Deferred taxation is not provided on any permanent timing differences that may arise. At the balance sheet date, the required provision for deferred taxation is compared with the provision at the beginning of the period and any difference is credited or debited to the profit and loss account. Deferred tax assets are only recognised when there is a reasonable certainty that they will be recoverable in the future.

Property valuations

Completed investment properties are valued at the director's assessment of fair value. The director has made the normal deductions for hypothetical purchasers' costs in arriving at his valuation. Any surpluses or deficits arising are reflected in unrealised capital reserves.

Investments

Listed investments are stated at cost less provisions for permanent diminution in value.

2. FIXED ASSET INVESTMENTS

	Listed investments £
COST	
Additions	250,000
At 30 April 2006	250,000
NET BOOK VALUE	
At 30 April 2006	250,000

The market value of the investments at 30 April 2006 was £270,693.

Citygrove Investments Limited

Notes to the Abbreviated Accounts - continued
for the Year Ended 30 April 2006

3. INVESTMENT PROPERTY

VALUATION

At 1 May 2005

Disposals

At 30 April 2006

£
4,881,668
(4,881,668)

0

NET BOOK VALUE

At 30 April 2005

4,881,668

At 30 April 2005 the director valued the property at £4,881,668. This amount represented the estimated net proceeds from sale of the property and resulted in a revaluation reserve of £1,858,156 at that date. During the year to 30 April 2006 the property was sold for £5,070,000, the surplus was realised and used to pay sales commissions of £1,756,000.

4. CREDITORS

Creditors include the following debts falling due in more than one year:

	30.4.06 £	30.4.05 £
Mortgage	0	3,000,000
Amounts falling due within five years:		
Repayable by instalments	0	70,500
Amounts falling due after more than five years:		
Repayable by instalments	0	1,404,500
Not repayable by instalments	0	1,525,000
	0	3,000,000

The mortgage was secured by a fixed charge on the company's freehold investment property. Interest was charged at 5.75% per annum.

5. CALLED UP SHARE CAPITAL

Authorised:

Number:	Class:	Nominal value: £1	30.4.06 £	30.4.05 £
1,000,000	Ordinary		1,000,000	1,000,000

Allotted, issued and fully paid:

Number:	Class:	Nominal value: £1	30.4.06 £	30.4.05 £
100	Ordinary		100	100

Citygrove Investments Limited

Notes to the Abbreviated Accounts - continued
for the Year Ended 30 April 2006

6. RELATED PARTY DISCLOSURES

At 30 April 2006 the following loans existed between the company and related undertakings:

Loans advanced to related undertakings:	30.4.06	30.4.05
	£	£
Citygrove Securities plc	93,796	46,456

Loans received from related undertakings:

Bowmain Properties Limited	0	42
Baines & Co	0	10,000
Citygrove Securities plc	104,000	0
Parkway Securities Limited	3,000	0
Woodbridge Edenside Developements (Chichester) Limited	6,044	0
	113,044	10,042

The loans between these related parties are interest free, unsecured and have no fixed repayment dates.

Mr T R Baines is a director and shareholder of Citygrove Securities plc and Parkway Securities Limited. He is also a director of Woodbridge Edenside Developements (Chichester) Limited and sole proprietor of Baines & Co.

Mr J A Fawcett is a director and shareholder of Bowmain Properties Limited and until 14 September 2005 he was a director and shareholder of Citygrove Securities plc and Parkway Securities Limited.

Included in development costs are project management fees of £nil (2005: £116,000) paid to Baines & Co, and £nil (2005: £84,000) paid to Bowmain Properties Limited.

Trade creditors include £212,942 (2005: £4,375) due to Citygrove Securities plc.

During the year ended 30 April 2006 the company paid sales commissions of £850,000 to Citygrove Securities plc, £756,000 to Bowmain Properties Limited and £150,000 to Baines & Co.

Administrative costs include management charges paid to Citygrove Securities plc amounting to £nil (2005: £75,000).

The company pays rent amounting to £24,000 per annum and rates of £10,550 (2005: £10,550) which are recovered in full from Citygrove Securities plc.

7. ULTIMATE CONTROLLING PARTY

The company was under the control of its director, Mr T R Baines, throughout the year.