

24 CHARLES STREET LIMITED

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24 CHARLES STREET LIMITED

Company no. 2567208

REPORT OF THE DIRECTORS

The directors have pleasure in presenting their report for the year ended 24th December 1998 together with the audited financial statements of the company.

1. ACTIVITY

The principal activity of the company continued to be the management of the properties known as 24 Charles Street and 23A Hays Mews, London, W1 on a non-profit making basis.

2. SHARE CAPITAL

The company is limited by guarantee and does not have a share capital. The members have undertaken to contribute a maximum of £1 each in the event of a winding up.

3. FINANCIAL

The deficit for the year amounted to £7102. In accordance with the leases applicable to these properties, deficits are recoverable from tenants in future years and likewise, surpluses are refunded to tenants by reducing service charges. Accordingly no dividend is payable.

4. DIRECTORS

The directors who served throughout the year were Miss A M Crichton and Mr S R Hill.

5. STATEMENT OF DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for the period. In preparing those 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 proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. 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.

6. AUDITORS

Messrs J R Watson & Co are eligible for reappointment as auditors and the members will be asked to approve their reappointment.

On behalf of the Board



A Coleman  
Secretary

174 Brompton Road  
London SW3 1HP

22nd June 1999

AUDITORS' REPORT TO THE MEMBERS OF

24 CHARLES STREET LIMITED

We have audited the accounts on pages 4 to 6 which have been prepared under the historical cost convention and the accounting policies set out on page 6.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As described on page 2 the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

BASIS OF OPINION

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the accounts.

OPINION

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 24th December 1998 and of its result for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



J R WATSON & CO.

Chartered Accountants & Registered Auditors  
50 Hazelwood Road  
Northampton

23rd June 1999

24 CHARLES STREET LIMITEDPROFIT AND LOSS ACCOUNTFOR THE YEAR ENDED 24TH DECEMBER 1998

	Notes	£	1998	£	£	1997	£
<b>TURNOVER</b>							
Service charges receivable			9415			10124	
Reserve fund charges receivable			<u>28152</u>			<u>-</u>	
			37567			10124	
<b>COST OF SALES</b>							
Refurbishment expenses		(37152)			-		
Service charge expenses	2	<u>(8490)</u>			<u>(8947)</u>		
			<u>(45642)</u>			<u>(8947)</u>	
(DEFICIT)/SURPLUS	4		(8075)			1177	
<b>OTHER INCOME</b>							
Bank interest			<u>1232</u>			<u>542</u>	
(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION			(6843)			1719	
UK CORPORATION TAX AT 21% (1997 -22%) ON INTEREST RECEIVED			<u>259</u>			<u>120</u>	
(LOSS)/PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION			(7102)			1599	
<b>APPROPRIATION</b>							
TRANSFER FROM/(TO) RESERVE FUND	5		<u>8646</u>			<u>(320)</u>	
SURPLUS FOR THE YEAR RETAINED			1544			1279	
RETAINED PROFITS BROUGHT FORWARD			<u>1625</u>			<u>346</u>	
RETAINED PROFITS CARRIED FORWARD			£ <u>3169</u>			£ <u>1625</u>	

The notes on page 6 form part of these accounts.

24 CHARLES STREET LIMITEDBALANCE SHEETAS AT 24TH DECEMBER 1998

	Notes	1998		1997	
		£	£	£	£
<b>CURRENT ASSETS</b>					
Trade debtors		9493		1076	
Prepayments		1938		1773	
Cash at bank		<u>35241</u>		<u>13116</u>	
		46672		15965	
<b>CREDITORS: Amounts falling due within one year</b>					
Trade creditors		37152		-	
Accruals and deferred income		<u>5411</u>		<u>4754</u>	
		42563		4754	
<b>NET CURRENT ASSETS</b>			<u>4109</u>		<u>11211</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			£ <u>4109</u>		£ <u>11211</u>
<b>SHARE CAPITAL AND RESERVES</b>					
Called up share capital	3		-		-
Profit and loss account	4		3169		1625
Reserve fund	5		<u>940</u>		<u>9586</u>
			£ <u>4109</u>		£ <u>11211</u>



.....  
Miss A M Crichton  
Signed on behalf of the Board of Directors

22nd June 1999

24 CHARLES STREET LIMITEDNOTES TO THE ACCOUNTSFOR THE YEAR ENDED 24TH DECEMBER 1998

## 1. ACCOUNTING POLICIES

## Accounting convention

The accounts have been prepared using the historical cost convention.

## 2. AUDITORS' AND DIRECTORS REMUNERATION

Auditors' remuneration included in cost of sales amounts to £940 (1997 - £947).

Directors' remuneration included in cost of sales amounts to £1560 (1997 - £1410).

## 3. CALLED UP SHARE CAPITAL

The company is limited by guarantee and does not have a share capital. Each member has undertaken to contribute a maximum of one pound in the event of winding up of the company.

## 4. PROFIT AND LOSS ACCOUNT

Any surplus of income over expenditure is used to reduce service charges made to tenants in subsequent years. Accordingly, no charge to taxation arises, except on interest received, and these profits are not available for distribution.

## 5. RESERVE FUND

	£
At 24th December 1997	9586
Transfer from profit and loss account	<u>(8646)</u>
At 24th December 1998	£ <u>940</u>

The reserve fund represents contributions from tenants for major periodic repairs, together with the interest earned on the deposit of these contributions, which have not been expended or committed for expenditure as at 24th December 1998.

## 6. RECONCILIATION OF SHAREHOLDERS' FUNDS

	£
At 24th December 1997	11211
Loss for the year	<u>(6967)</u>
At 24th December 1998	£ <u>4244</u>

## 7. TRANSACTIONS WITH RELATED PARTIES

Turnover represents contributions received from the tenants of the properties known as 24 Charles Street and 23A Hays Mews, who are the shareholders of the company. Any surplus of income over expenditure is repayable and is shown as a creditor and any deficit recoverable from the tenants is shown as a debtor.