

24 CHARLES STREET LIMITED

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REPORT OF THE DIRECTORS

The directors have pleasure in presenting their report for the year ended 24th December 2005 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 £26. 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 during the year were as follows:-

Mrs A M Leigh
Mr A Meyers

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 year. 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.


Each person who is a director at the date of approval of this report confirms that

- (a) so far as they are aware, that there is no relevant audit information of which the company's auditors are unaware, and
- (b) they have taken all steps that they considered necessary as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

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


Carter Backer Winter Trustees Ltd
Secretary

174 Brompton Road
London SW3 1HP

8th September 2006

REPORT OF THE INDEPENDENT AUDITORS
TO THE SHAREHOLDERS OF 24 CHARLES STREET LIMITED

We have audited the financial statements of 24 Charles Street Limited for the year ended 24th December 2005 which are set out on pages 4 to 7. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. 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 auditor's 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

The directors' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' Report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

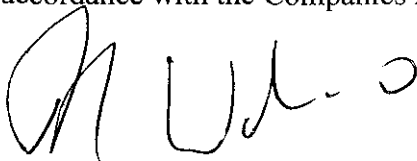
BASIS OF OPINION

We conducted our audit in accordance with United Kingdom 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 financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, 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 information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements 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 financial statements.

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 2005 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 and Registered Auditors
Eastgate House
11 Cheyne Walk
Northampton
NN1 5PT

9th September 2006

24 CHARLES STREET LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 24TH DECEMBER 2005


	Notes	2005 £	2004 £
TURNOVER			
Service charges receivable		13618	13515
COST OF SALES			
Service charge expenses	2	<u>(13754)</u>	<u>(12447)</u>
(DEFICIT)/SURPLUS	5	(136)	1068
OTHER INCOME			
Bank interest		<u>152</u>	<u>115</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION			
		16	1183
UK INCOME TAX AT 28% ON INTEREST RECEIVED			
		<u>42</u>	<u>39</u>
(LOSS)/PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION			
		(26)	1144
APPROPRIATION			
TRANSFER TO RESERVE FUND	6	<u>(83)</u>	<u>(36)</u>
(DEFICIT)/SURPLUS FOR THE YEAR RETAINED			
		(109)	1108
RETAINED PROFITS BROUGHT FORWARD			
		<u>1501</u>	<u>393</u>
RETAINED PROFITS CARRIED FORWARD			
		£ <u>1392</u>	£ <u>1501</u>

There were no recognised gains or losses not shown above. The results shown relate to continuing activities.

The notes on pages 6 and 7 form part of these accounts.

24 CHARLES STREET LIMITEDBALANCE SHEETAS AT 24TH DECEMBER 2005

	Notes	£	2005	£	£	2004	£
FIXED ASSETS							
Tangible assets	3		-			-	
CURRENT ASSETS							
Trade debtors		-			15		
Prepayments and other debtors		4222			3683		
Cash at bank		8414			9721		
		<u>12636</u>			<u>13419</u>		
CREDITORS: Amounts falling due within one year							
Accruals and deferred income		<u>6918</u>			<u>7675</u>		
NET CURRENT ASSETS			<u>5718</u>			<u>5744</u>	
TOTAL ASSETS LESS CURRENT LIABILITIES			£ <u>5718</u>			£ <u>5744</u>	
SHARE CAPITAL AND RESERVES							
Called up share capital	4		-			-	
Profit and loss account	5		1392			1501	
Reserve fund	6		<u>4326</u>			<u>4243</u>	
TOTAL SHAREHOLDERS FUNDS	7		£ <u>5718</u>			£ <u>5744</u>	



 Mrs A M Leigh
 Signed on behalf of the Board of Directors

8th September 2006

The notes on pages 6 and 7 form part of these accounts.

24 CHARLES STREET LIMITEDNOTES TO THE ACCOUNTSFOR THE YEAR ENDED 24TH DECEMBER 2005

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 £1148 (2004 - £1088).

Directors' remuneration included in cost of sales amounts to £NIL (2004 - £NIL).

3. FIXED TANGIBLE ASSETS

	2005	2004
Freehold reversion, stated at cost	£ _____	£ _____

4. 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.

5. 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.

6. RESERVE FUND

	£
At 24th December 2004	4243
Transfer from profit and loss account	<u>83</u>
At 24th December 2005	£ <u>4326</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 2005.

24 CHARLES STREET LIMITEDNOTES TO THE ACCOUNTSFOR THE YEAR ENDED 24TH DECEMBER 2005

7.	RECONCILIATION OF SHAREHOLDERS' FUNDS	2005	2004
		£	£
	At 24th December 2004	5744	4600
	(Loss)/profit for the year	<u>(26)</u>	<u>1144</u>
	At 24th December 2005	£ <u>5718</u>	£ <u>5744</u>

8. 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.