

REGISTRAR'S COPY

COMPANY NUMBER 1331429

**Albert Hall Mansions Management
Limited**

Report and Financial Statements

Year Ended

25 March 2004



BDO Stoy Hayward
Chartered Accountants

ALBERT HALL MANSIONS MANAGEMENT LIMITED

Annual report and financial statements for the year ended 25 March 2004

Contents

Page:

2	Report of the directors
4	Report of the auditors
6	Income and expenditure account
7	Balance sheet
8	Notes forming part of the financial statements

Directors

O S Chamma
S Hakura
G E Mogil
H Damirji
W Felson (resigned 8 June 2004)
J Schapero

Secretary and registered office

G E Mogil, 6 Babmaes Street, London, SW1 6HD

Company number

1331429

Auditors

BDO Stoy Hayward LLP, 69 Tweedy Road, Bromley, Kent, BR1 3WA

ALBERT HALL MANSIONS MANAGEMENT LIMITED

Report of the directors for the year ended 25 March 2004

The directors present their report and annual financial statements of the company for the year ended 25 March 2004.

Principal activities

The principal activity of the company, which remains unchanged from the previous year, is to manage the property known as Albert Hall Mansions, London, SW7 and provide the services for the benefit of the residents.

Review of operations

Recoverable maintenance expenditure being total service cost for the year is £815,489 (2003 - £706,072).

A transfer to the major works reserve was made in the year of £550,000 (2003 - £648,242).

Directors

The directors in office during the year and their beneficial interest in the ordinary shares of the company are as follows:

	25 March 2004	25 March 2003
O S Chamma	1	1
H Damirji	-	-
W Felson (resigned 8 June 2004)	1	1
S Hakura	-	-
G E Mogil	1	1
J Schapero	1	1

The company maintains liability insurance for directors and officers.

ALBERT HALL MANSIONS MANAGEMENT LIMITED

Report of the directors for the year ended 25 March 2004 (*Continued*)

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 surplus or deficit of the company for that 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

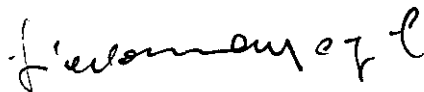
The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. The directors have appointed managing agents, responsible for the day to day transactions, to guide and assist them in their responsibilities.

Auditors

On 31 December 2003, BDO Stoy Hayward, the company's auditors, transferred its business to BDO Stoy Hayward LLP, a limited liability partnership incorporated under the Limited Liability Partnerships Act 2000. Accordingly BDO Stoy Hayward resigned as auditors on that date and the directors appointed BDO Stoy Hayward LLP as its successor. A resolution to reappoint BDO Stoy Hayward LLP as auditors will be proposed at the next annual general meeting.

In the preparation of the above report, the directors have taken advantage of the special provisions of Part VII of the Companies Act 1985 applicable to small companies.

On behalf of the Board



G E Mogil
Company Secretary

Date

18/11/05

ALBERT HALL MANSIONS MANAGEMENT LIMITED

Report of the independent auditors

To the shareholders of Albert Hall Mansions Management Limited

We have audited the financial statements of Albert Hall Mansions Management Limited for the year ended 25 March 2004 on pages 6 to 12 which have been prepared under the accounting policies set out on page 8.

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.

Our report has been prepared pursuant to the requirements of the Companies Act 1985 and for no other purpose. No person is entitled to rely on this report unless such a person is a person entitled to rely upon this report by virtue of and for the purpose of the Companies Act 1985 or has been expressly authorised to do so by our prior written consent. Save as above, we do not accept responsibility for this report to any other person or for any other purpose and we hereby expressly disclaim any and all such liability.

Basis of audit 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 the 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.

ALBERT HALL MANSIONS MANAGEMENT LIMITED

Report of the independent auditors (*Continued*)

Fundamental uncertainty

In forming our opinion, we have considered the adequacy of the disclosures made in note 5 of the financial statements concerning the uncertainty as to the recoverability of amounts due from UAE Investments Limited. In view of this uncertainty, we consider that it should be drawn to your attention, but our opinion is not qualified in this respect.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 25 March 2004 and of its excess of income over expenditure for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

BDO Stoy Hayward LLP

BDO STOY HAYWARD LLP

*Chartered Accountants
and Registered Auditors*
Bromley

Date *25 January 2005*

ALBERT HALL MANSIONS MANAGEMENT LIMITED

Income and expenditure account for the year ended 25 March 2004

	Note	2004 £	2004 £	2003 £	2003 £
Turnover - Service charge	1		822,725		717,585
- Major works			550,000		648,242
			<hr/>		<hr/>
			1,372,725		1,365,827
Interest received	2		7,246		12,005
			<hr/>		<hr/>
			1,379,971		1,377,832
Property expenses	3	822,725		717,585	
Transfer to major works reserve	8	550,000		648,242	
		<hr/>		<hr/>	
			1,372,725		1,365,827
Excess of income over expenditure on ordinary activities before taxation			<hr/>		<hr/>
			7,246		12,005
Taxation on interest received	2		(7)		(492)
			<hr/>		<hr/>
Excess of income over expenditure for the financial year after taxation			7,239		11,513
Interest and other income offset against total service cost for year	2		(7,239)		(11,513)
			<hr/>		<hr/>
Movement in shareholders funds			-		-
			<hr/>		<hr/>

All amounts relate to continuing activities.

All recognised gains and losses have been included in the income and expenditure account.

The notes on pages 8 to 12 form part of these financial statements.

ALBERT HALL MANSIONS MANAGEMENT LIMITED

Balance sheet at 25 March 2004

	Note	2004 £	2003 £
Current assets			
Debtors	5	491,079	273,143
Cash at bank	6	917,373	746,646
		<u>1,408,452</u>	<u>1,019,789</u>
Creditors: amounts falling due within one year	7	<u>(802,210)</u>	<u>(625,387)</u>
Net current assets		<u>606,242</u>	<u>394,402</u>
Net assets		<u>606,242</u>	<u>394,402</u>
Reserve fund	8	<u>(606,131)</u>	<u>(394,291)</u>
		<u>111</u>	<u>111</u>
Capital and reserves			
Called up share capital	9	<u>111</u>	<u>111</u>

The financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

Approved by the directors on 18/01/05 2004.
and signed on their behalf:

)
) Directors *Nadia M. Doctor*
)
) *fi. van der. f. l.*
)

The notes on pages 8 to 12 form part of these financial statements.

ALBERT HALL MANSIONS MANAGEMENT LIMITED

Notes forming part of the financial statements for the year ended 25 March 2004

1 Accounting policies

Basis of accounting

The financial statements are prepared under the historical cost convention.

Cash flow statement

The company qualifies as a small company under the Companies Act 1985. The directors have elected to take advantage of the exemption under FRS1 not to prepare a cash flow statement.

Turnover

Turnover represents contributions receivable from members towards the cost of services and towards the major works reserve fund.

2 Interest received

- a) Interest received in the year ended 25 March 2004 and corporation tax thereon is as follows:

	2004 £	2003 £
Interest	7,246	12,005
Corporation tax at Nil% (2003 – 4%)	(7)	(492)
	<hr/> 7,239	<hr/> (11,513)

- b) As prescribed by a standard underlease (6th Sch., Clause 8), interest received for the year is applied in reduction of total service cost.

3 Property expenses

	2004 £	2003 £
These are arrived at after charging:		
Audit fee (incl. VAT)	8,813	8,813
	<hr/> 8,813	<hr/> 8,813

4 Directors

The directors received no remuneration from the company.

ALBERT HALL MANSIONS MANAGEMENT LIMITED

Notes forming part of the financial statements for the year ended 25 March 2004(*Continued*)

5 Debtors

	2004 £	2004 £	2003 £	2003 £
Lessees arrears - service charge	261,977		116,057	
- major works	162,030		145,311	
		424,007		261,368
Prepayments and other debtors		67,072		11,775
		491,079		273,143

Included within lessee arrears are amounts due from UAE Investments Limited on the "Category 2" flats, totalling £63,827. These arrears have not been recovered pending on-going negotiations between the company and UAE Investments Limited on the development and redecoration of these flats and the internal common parts of the basement area. No provision has been made for the arrears in these financial statements as the directors consider that this debt will ultimately be recovered in full.

6 Cash at bank

	2004 £	2003 £
Managing agents – designated clients' deposit accounts	605,077	464,476
Managing agents - designated clients' current accounts	(39,954)	(20,061)
Tenant deposit account	352,250	302,231
	917,373	746,646

The tenant deposit account has been included as an asset of the company and a corresponding creditor is included within other creditors in Note 7.

ALBERT HALL MANSIONS MANAGEMENT LIMITED

Notes forming part of the financial statements for the year ended 25 March 2004(Continued)

7 Creditors: amounts falling due within one year

	2004	2003
	£	£
Corporation tax	-	492
Tax and social security	4,151	3,221
Accruals	342,212	306,411
Other creditors	455,847	315,263
	<hr/>	<hr/>
	802,210	625,387
	<hr/>	<hr/>

Included within other creditors is a balance of £352,250 (2003 – £302,231) which represents monies repayable to tenants in respect of security deposits. A corresponding asset is shown in Note 6.

ALBERT HALL MANSIONS MANAGEMENT LIMITED

Notes forming part of the financial statements for the year ended 25 March 2004(Continued)

8 Reserve funds	2004	2004	2004	2003	2003	2003
	Major works	Service charges in advance	Total	Major works	Service charges in advance	Total
	£	£	£	£	£	£
Balance at commencement of year	281,936	112,355	394,291	870,923	112,355	983,278
Raised in year	550,000	-	550,000	648,242	-	648,242
Sundry income	2,000	-	2,000	-	-	-
Expenditure in year:						
Internal decorations	(48,513)	-	(48,513)	(69,000)	-	(69,000)
External decorations	(167,507)	-	(167,507)	(1,088,859)	-	(1,088,859)
Legal and survey costs	(2,350)	-	(2,350)	(15,754)	-	(15,754)
Lifts	(25,490)	-	(25,490)	(6,414)	-	(6,414)
Boiler works/heating system	(79,133)	-	(79,133)	(37,840)	-	(37,840)
Other expenditure	(4,418)	-	(4,418)	(10,565)	-	(10,565)
Asbestos removal	-	-	-	(8,797)	-	(8,797)
Schedule VI Exemptions	(12,749)	-	(12,749)	-	-	-
Balance at end of year	493,776	112,355	606,131	281,936	112,355	394,291

The service charges in advance figure represents an additional interim charge requested for the quarter to 30 June 1996 to alleviate cash flow problems caused by the timing of the collection of service charges. This balance represented one quarter of the service charge for the year when levied.

ALBERT HALL MANSIONS MANAGEMENT LIMITED

Notes forming part of the financial statements for the year ended 25 March 2004 *(Continued)*

9 Share capital

	Authorised		Issued and fully paid	
	2004	2003	2004	2003
	£	£	£	£
111 ordinary shares of £1 each	111	111	111	111

10 Reconciliation of movements on shareholders' funds

	2004	2003
	£	£
Excess of income over expenditure for the financial year after taxation	7,239	11,513
Net interest credited against service cost for year	(7,239)	(11,513)
	-	-
Shareholders' fund at 26 March 2003	111	111
Shareholders' fund at 25 March 2004	111	111

11 Capital commitments

	2004	2003
	£	£
Contracted but not provided for	-	74,400

These commitments relate to the internal lobby redecorations and external building repairs.