

REGISTRAR'S COPY

COMPANY NUMBER 1331429

Albert Hall Mansions Management Limited

Report and Financial Statements

Year Ended

25 March 2006

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BDO Stoy Hayward
Chartered Accountants

ALBERT HALL MANSIONS MANAGEMENT LIMITED

Annual report and financial statements for the year ended 25 March 2006

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Directors

J A Canepa Arata
H Damirji
N M Doctor
S Hakura
J Schapero

Secretary and registered office

L Sun, 6 Babmaes Street, London, SW1 6HD

Company number

1331429

Auditors

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

ALBERT HALL MANSIONS MANAGEMENT LIMITED

Report of the directors for the year ended 25 March 2006

The directors present their report together with the audited financial statements for the year ended 25 March 2006.

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

Turnover includes service charge and major works revenue for the year of £746,887 (2005 - £780,282) and £250,000 (2005 - £412,500) respectively. Turnover also includes an amount of £330,000 which has been recognised in the year following the settlement of a dispute with certain tenants. The settlement revenue has been split equally between service charges and major works and has been credited to the accounts of the tenants not involved in the dispute.

Recoverable maintenance expenditure being total service cost for the year is £746,887 (2005 - £780,282).

A transfer to the major works reserve was made in the year of £250,000 (2005 - £412,500).

Directors

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

	Ordinary shares of £1 each	
	25 March 2006	26 March 2005
J A Canepa Arata	1	1
H Damirji	-	-
N M Doctor	1	1
S Hakura	-	-
J Schapero	1	1
O S Chanma (resigned 20 June 2005)	1	1
G Mogil (resigned 20 June 2005)	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 2006 (*Continued*)

Directors' responsibilities

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

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 that year. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments 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 that 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.

Auditors

BDO Stoy Hayward LLP have expressed their willingness to continue in office and a resolution to re-appoint them will be proposed at the next annual general meeting.

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

By order of the Board


L Sun
Secretary

Date: 4 December 2006

ALBERT HALL MANSIONS MANAGEMENT LIMITED

Independent auditor's report

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 2006 which comprise the profit and loss account, the balance sheet and the related notes. These financial statements have been prepared under the accounting policies set out therein.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) 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 International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and have been 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 those 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 other transactions 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 International Standards on Auditing (UK and Ireland) 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 judgments 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*)

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 25 March 2006 and of its result for the year then ended; and
- the financial statements have been properly prepared in accordance with the Companies Act 1985.



BDO STOY HAYWARD LLP

*Chartered Accountants
and Registered Auditors*
Bromley

Date: 7 December 2006

ALBERT HALL MANSIONS MANAGEMENT LIMITED

Income and expenditure account for the year ended 25 March 2006

	Note	2006 £	2006 £	2005 £	2005 £
Turnover - Service charge	2		911,887		780,282
- Major works	2		415,000		412,500
			<u>1,326,887</u>		<u>1,192,782</u>
Interest received	3		27,604		16,551
			<u>1,354,491</u>		<u>1,209,333</u>
Property expenses	4	1,076,887		780,282	
Transfer to major works reserve	9	250,000		412,500	
			<u>1,326,887</u>		<u>1,192,782</u>
Excess of income over expenditure on ordinary activities before taxation			27,604		16,551
Taxation on interest received	3		(11,042)		(6,620)
Excess of income over expenditure for the financial year after taxation			16,562		9,931
Interest and other income offset against total service cost for year	3		(16,562)		(9,931)
Result for the year			<u>-</u>		<u>-</u>

All amounts relate to continuing activities.

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

There were no movements in shareholders' funds in the current or prior year apart from the result for the year.

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

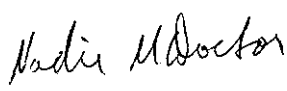

ALBERT HALL MANSIONS MANAGEMENT LIMITED

Balance sheet at 25 March 2006

	Note	2006 £	2005 £
Current assets			
Debtors	6	342,616	365,764
Cash at bank	7	1,258,508	1,070,260
		<u>1,601,124</u>	<u>1,436,024</u>
Creditors: amounts falling due within one year	8	(840,815)	(827,143)
Net current assets		<u>760,309</u>	<u>608,881</u>
Reserve funds	9	(760,198)	(608,770)
Net assets		<u>111</u>	<u>111</u>
Capital and reserves			
Called up share capital	10	111	111

The financial statements 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 Board on 4 December 2006.



 N M Doctor H Damirji
 Director Director

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 2006

1 Accounting policies

The financial statements are prepared under the historical cost convention.

The following principal accounting policies have been applied:

Cash flow statement

The company has taken advantage of the exemption conferred by Financial Reporting Standard 1 'Cash Flow Statements (Revised 1996)' not to prepare a cash flow statement on the grounds that it is a 'small' company under the Companies Act 1985.

Turnover

Turnover represents contributions receivable from members towards the cost of services and towards the major works reserve fund. The company is not registered for VAT purposes.

2 Turnover

Turnover is wholly attributable to the principal activity of the company and arises solely within the United Kingdom.

Shortly after the year-end the company agreed a £330,000 settlement in respect of a dispute with certain tenants regarding service charges and major works contributions. The settlement proceeds have been recognised within turnover for the year and have been allocated 50% to service charges and 50% to major works. An analysis of turnover for the year is provided below:

	Service charges 2006 £	Major works 2006 £	Service charges 2005 £	Major works 2005 £
Service charge revenue	746,887	250,000	780,282	412,500
UAE settlement	165,000	165,000	-	-
	<u>911,887</u>	<u>415,000</u>	<u>780,282</u>	<u>412,500</u>

ALBERT HALL MANSIONS MANAGEMENT LIMITED

Notes forming part of the financial statements for the year ended 25 March 2006 (Continued)

3 Interest received

- a) Interest received in the year ended 25 March 2006 and the tax thereon is as follows:

	2006 £	2005 £
Interest	27,604	16,551
Income tax at 40%	(11,042)	(6,620)
	<u>16,562</u>	<u>9,931</u>

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

4 Property expenses

	2006 £	2005 £
These are arrived at after charging:		
Audit fee	9,306	9,047
Distribution of dispute settlement proceeds to tenants	330,000	-
	<u>339,306</u>	<u>9,047</u>

Shortly after the year-end the company agreed a £330,000 settlement in respect of a dispute with certain tenants regarding service charges and major works contributions as mentioned in note 2. Of these proceeds 50% have been allocated to the tenants based on their service charge allocation percentage and the remaining 50% have been allocated to tenants based on their major works allocation percentage.

5 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 2006 (Continued)

6 Debtors

	2006 £	2006 £	2005 £	2005 £
Lessees arrears - service charge	-		210,596	
- major works	-		37,373	
		-		247,969
Prepayments and other debtors		342,616		117,795
		342,616		365,764

7 Cash at bank

	2006 £	2005 £
Managing agents - designated clients' deposit accounts	851,034	994,147
Managing agents - designated clients' current accounts	(30)	(297,074)
Tenant deposit account	407,504	373,187
	1,258,508	1,070,260

The tenant deposit account has been included as an asset of the company and a corresponding creditor is included within other creditors in Note 8.

8 Creditors: amounts falling due within one year

	2006 £	2005 £
Tax and social security	12,319	10,716
Accruals	101,984	247,428
Amounts owed to lessees in respect of service charges	93,022	-
Amounts owed to lessees in respect of major works	148,827	-
Other creditors	484,663	568,999
	840,815	827,143

Included within other creditors is a balance of £407,504 (2005 - £373,187) which represents monies repayable to tenants in respect of security deposits. A corresponding asset is included within the cash at bank balance in Note 7.

ALBERT HALL MANSIONS MANAGEMENT LIMITED

Notes forming part of the financial statements for the year ended 25 March 2006 (Continued)

9 Reserve funds	2006	2006	2006	2005	2005	2005
	Major works £	Service charges in advance £	Total £	Major works £	Service charges in advance £	Total £
At 26 March 2005						
Raised in year	496,415	112,355	608,770	493,776	112,355	606,131
Expenditure in year:						
Internal decorations	(8,266)	-	(8,266)	(21,586)	-	(21,586)
External decorations	(29,485)	-	(29,485)	(98,495)	-	(98,495)
Legal and survey costs	(15,036)	-	(15,036)	(16,678)	-	(16,678)
Lifts	-	-	-	(5,335)	-	(5,335)
Boiler works/heating and electrical works	(42,109)	-	(42,109)	(261,382)	-	(261,382)
Other expenditure	(1,106)	-	(1,106)	(6,385)	-	(6,385)
Schedule VI Exemptions	(2,570)	-	(2,570)	-	-	-
At 25 March 2006	647,843	112,355	760,198	496,415	112,355	608,770

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 2006 (*Continued*)

10 Share capital

	2006 £	2005 £
<i>Authorised</i>		
150 ordinary shares of £1 each	150	150
	<u> </u>	<u> </u>
	2006 £	2005 £
Allotted, called up and fully paid		
111 ordinary shares of £1 each	111	111
	<u> </u>	<u> </u>

11 Related party disclosures

The company manages a property known as Albert Hall Mansions on behalf of its shareholders. The shareholders are also leaseholders of the property and accordingly contribute to the charges for the upkeep of this property. These charges include service charges which totalled £730,325 (2005 - £770,351) for the year and charges for major works which were £250,000 (2005 - £412,500) for the year.