

REGISTRAR

47/60 CHENISTON GARDENS LIMITED

Financial Statements

31 March 2002

Company No: 1770915



47/60 CHENISTON GARDENS LIMITED

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REPORT OF THE DIRECTORS

The directors present their Report and Financial Statements for the year ended 31 March 2002.

DIRECTORS RESPONSIBILITIES

The directors are required by law to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company as at the end of the financial year and of the profit or loss and total recognised gains or losses of the company for that period. The directors confirm that appropriate accounting policies have been used and applied consistently, and reasonable and prudent judgments and estimates have been made, in the preparation of the financial statements for the year ended 31 March 2002. The directors also confirm their responsibility to 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 maintaining adequate accounting records, for safeguarding the assets of the company, and for taking reasonable steps to prevent and detect fraud and other irregularities.

PRINCIPAL ACTIVITY AND BUSINESS REVIEW

The principal activity of the company is that of acquiring the freehold property known as 47-60 Cheniston Gardens in the Royal Borough of Kensington and Chelsea and to control, supervise, maintain and manage the same for the benefit of the lessees of the residential flats comprised therein.

DIRECTOR'S INTERESTS

The directors of the company for the period had the following interests in the shares of the company at the beginning and end of the year.

	Ordinary Shares of £1 each	
	2002	2001
B Vassiliou	1800	1800
M Makhzoumi	-	-
G Matta	-	-
A El Kayem (resigned 30.6.2001)	-	-
A Nuseibeh	1800	1800
C Roig (appointed 26.1.2002)	-	-
T Roig (appointed 27.4.2002)	1950	-


DIVIDENDS

The directors do not recommend the payment of a dividend (2001: Nil).

AUDITORS

A resolution to re-appoint Messrs Alvis & Company in accordance with Section 384(1) of the Companies Act 1985 will be proposed at the Annual General Meeting.

BY ORDER OF THE BOARD


DIRECTOR

**INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF
47/60 CHENISTON GARDENS LIMITED**

We have audited the financial statements of 47/60 Cheniston Gardens Limited for the year ended 31 March 2002 which comprise the Income and Expenditure Account, the Balance Sheet, and the related notes. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

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 other information contained in the Annual Report, and consider whether it is consistent with the audited financial statements. This other information comprises only the Directors' Report. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

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 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.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 March 2002 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Registered auditors:


ALVIS & COMPANY
Milton House
33A Milton Road
Hampton
Middlesex TW12 2LL

Date 23 September 2002

47/60 CHENISTON GARDENS LIMITED**Income and Expenditure Account
for the year ended 31 March 2002**

	Note	2002 £	2001 £
Charges to owner occupiers	1(c), 2	133899	103128
Property Management expenses		(31009)	(32363)
		<hr/>	<hr/>
SURPLUS		102890	70765
Administrative expenses	3	(39458)	(38636)
		<hr/>	<hr/>
SURPLUS OF SERVICE CHARGES OVER ACTUAL EXPENDITURE		63432	32129
Interest receivable	7	406	3179
		<hr/>	<hr/>
SURPLUS ON ORDINARY ACTIVITIES BEFORE TAXATION		63838	35308
Taxation	7	(138)	(1081)
		<hr/>	<hr/>
SURPLUS AFTER TAXATION		63700	34227
Transfer to provision for liabilities and charges – Funds and net interest	7	(50268)	(27098)
		<hr/>	<hr/>
SURPLUS FOR THE YEAR		13432	7129
ACCUMULATED DEFICIT AT BEGINNING OF YEAR		(5999)	(13128)
		<hr/>	<hr/>
ACCUMULATED SURPLUS/(DEFICIT) AT END OF YEAR		7433	(5999)
		<hr/>	<hr/>

47/60 CHENISTON GARDENS LIMITED**Balance Sheet
as at 31 March 2002**

	Note	2002 £	2001 £
FIXED ASSETS			
Freehold interest	1(b)	35418	35418
CURRENT ASSETS			
Debtors	4	33069	21111
Cash at bank		21559	11578
		<hr/>	<hr/>
		54628	32689
CREDITORS: Amounts falling due within one year	5	(10033)	(33397)
		<hr/>	<hr/>
NET CURRENT ASSETS/(LIABILITIES)		44595	(708)
		<hr/>	<hr/>
TOTAL ASSETS LESS CURRENT LIABILITIES		80013	34710
CREDITORS: Amounts falling due after more than one year	6	-	(15709)
		<hr/>	<hr/>
		80013	19001
PROVISIONS FOR LIABILITIES & CHARGES	7	(47580)	-
		<hr/>	<hr/>
		32433	19001
		<hr/>	<hr/>
Represented by:			
SHARE CAPITAL AND RESERVES			
Share Capital	8	25000	25000
Income and expenditure account	9	7433	(5999)
		<hr/>	<hr/>
		32433	19001
		<hr/>	<hr/>



 M Makhzoumi Director

20-9-2002

 Date

47/60 CHENISTON GARDENS LIMITED**Notes to the Financial Statements
for the year ended 31 March 2002****1. ACCOUNTING POLICIES****a) Basis of Accounting**

The accounts have been prepared under the historic cost convention.

b) Depreciation

No depreciation is provided on the freehold interest as in the opinion of the directors the market value exceeds the book value of the accounts.

c) Charges to owner occupiers

This amount includes service charges estimated for the year and the provision made for Maintenance and Replacement, plus any deficit, or less any surplus, arising from the previous year.

d) The company has taken advantage of the exemption in Financial Reporting Standard No.1 from the requirement to produce a cash flow statement on the grounds that it is a small company.

	2002	2001
	£	£
2. CHARGES TO OWNER OCCUPIERS		
Service Charge Fund current year	77900	65000
Reserve Fund current year	50000	25000
Deficit previous year	5999	13128
	<hr/>	<hr/>
	133899	103128
	<hr/>	<hr/>
3. ADMINISTRATIVE EXPENSES		
Included in administrative expenses is:		
Audit fee - current year	1410	1410
- under/(over)provision previous years	153	(53)
	<hr/>	<hr/>
4. DEBTORS		
Service charge arrears	29737	8370
Prepayments	2683	2800
Other debtors	108	-
Maintenance and replacement fund	-	9941
Corporation tax	541	-
	<hr/>	<hr/>
	33069	21111
	<hr/>	<hr/>

47/60 CHENISTON GARDENS LIMITED

Notes to the Financial Statements (continued)
for the year ended 31 March 2002

	2002 £	2001 £
5. CREDITORS: amounts falling due within one year		
Accruals	3328	22925
Corporation tax payable	-	209
Deposit held	4720	4138
Other creditor	1985	6125
	<hr/>	<hr/>
	10033	33397
	<hr/>	<hr/>
6. CREDITORS: amounts falling due after more than one year		
Shareholders loans transferred to maintenance provision (note 7)	-	15709
	<hr/>	<hr/>
7. PROVISIONS FOR LIABILITIES & CHARGES		
Maintenance & Replacement Provision		
Balance at beginning of year	(9941)	91653
Add: Transfer from Income & Expenditure A/c:		
Reserve Fund income (note 2)	50000	25000
Bank interest received	389	3179
Corporation tax interest received	17	-
Less: Tax on interest	(138)	(1081)
Insurance claim proceeds	-	14957
Transfer interest received over 4 years to deposit held account (note 5)	(533)	-
Transfer shareholders loan balance (note 6)	15709	-
	<hr/>	<hr/>
	55503	133708
Less: Expenditure in the year:		
Security glass – porter's desk	(335)	-
Roof works	(3593)	-
Professional fees	(3995)	(7700)
Internal common parts upgrade	-	(44181)
Video entry phone & CCTV equipment	-	(18335)
Light fittings & electrical works	-	(14833)
Marble works	-	(13247)
Stained glass window works	-	(2990)
Specialist joinery works	-	(17907)
Fireplace	-	(2097)
Carpets/mats – common parts	-	(13603)
Lift refurbishment	-	(8413)
Miscellaneous works	-	(343)
	<hr/>	<hr/>
BALANCE IN HAND AT YEAR END	47580	-
Deficit recoverable from tenants (note 4)	-	(9941)
	<hr/>	<hr/>

47/60 CHENISTON GARDENS LIMITED

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**Notes to the Financial Statements (continued)
for the year ended 31 March 2002**

	2002 £	2001 £
8. PAID UP SHARE CAPITAL		
Authorised		
25000 Ordinary Shares of £1 each	25000	25000
	—	—
Allotted, Issued & Fully Paid		
Ordinary Shares of £1 each:		
At 1/4/01 & 31/3/02	25000	25000
	—	—
9. RESERVES		
Income and expenditure b/fwd	(5999)	(13128)
Surplus for the year	13432	7129
	—	—
	7433	(5999)
	—	—

**AUDITORS' REPORT TO THE MAINTENANCE TRUSTEE
47/60 CHENISTON GARDENS LIMITED**

We hereby certify that the annexed statement of Maintenance Expenditure for the year ended 31 March 2002 is in our opinion a fair summary complying with the requirements of section 21(5) of the Landlord and Tenant Act 1985 of the landlords relevant costs for the year, and that it is set out in a way which shows how these costs have been reflected in demands for Service Charges and is sufficiently supported by accounts, receipts and other documents which have been presented to us.


Alvis & Company
Registered Auditor

47/60 CHENISTON GARDENS LIMITED
Cost of Landlord's Services
year ended 31 March 2002

		2002	2001
		£	£
HOUSE KEEPING			
Porters wages	15998		13943
Uniforms	119		-
Porters council tax	995		889
Water rates on porter's flat	238		228
Electricity for porter's flat	400		383
Porters telephone	635		551
Repairs & decorations	-		349
Relief staff	1787		3196
	<hr/>	<hr/>	<hr/>
		20172	19539
GENERAL EXPENSES			
Day to day repairs	2484		2565
Cleaning of drains	576		576
Fire extinguisher maintenance	101		74
Sundries	539		597
General cleaning & materials	522		244
	<hr/>	<hr/>	<hr/>
		4222	4056
LIGHT, HEAT & ELECTRICITY			
General lighting & electricity	1367		1528
Light bulbs	266		221
Gas for hot water	2324		2239
	<hr/>	<hr/>	<hr/>
		3957	3988
LIFT & BOILER MAINTENANCE AND REPAIRS			
Boilers	933		2964
Lifts	1725		1816
	<hr/>	<hr/>	<hr/>
		2658	4780
		<hr/>	<hr/>
		31009	32363
ADMINISTRATIVE EXPENSES			
Entryphone & CCTV	1216		1001
Insurance	7738		17483
Audit fee - current year	1410		1410
- under/(over)provision previous years	152		(53)
Legal & professional	24419		15094
Management fee	4523		3701
	<hr/>	<hr/>	<hr/>
		39458	38636
		<hr/>	<hr/>
TOTAL EXPENSES C/F		70467	70999

47/60 CHENISTON GARDENS LIMITED
Cost of Landlord's Services (continued)
year ended 31 March 2002

	2002 £	2001 £
TOTAL EXPENSES B/F	70467	70999
Add: Provision for Maintenance & Replacement (Clause 8 (ii) of the lease agreement)	50000	25000
	<hr/>	<hr/>
	120467	95999
Less: Service Charges Receivable & Costs Recharged	127900	90000
	<hr/>	<hr/>
SURPLUS/(DEFICIT) FOR YEAR	7433	(5999)
	<hr/>	<hr/>