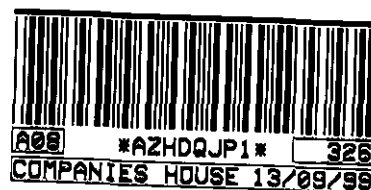


Report of the Directors and
Financial Statements for the Year Ended 31 March 1999
for
Kings Building Management Company Ltd



Kings Building Management Company Ltd

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for the Year Ended 31 March 1999

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Kings Building Management Company Ltd

Company Information
for the Year Ended 31 March 1999

DIRECTORS:

B J Croxford
K J Hills
D Fraser

SECRETARY:

K J Hills

REGISTERED OFFICE:

3c Kings Buildings
King Street
Chester
Cheshire
CH1 2AJ

REGISTERED NUMBER:

1981087 (England and Wales)

AUDITORS:

Conway & Co
Chartered Accountants
and Registered Auditors
Chester

Kings Building Management Company Ltd

Report of the Directors for the Year Ended 31 March 1999

The directors have pleasure in presenting their report and accounts for the year ended 31 March 1999.

COMPANY OBJECTIVES AND ACTIVITIES

The principal objectives and activities of the company are:

- to hold the freehold title to the land known as 2, 3, and 4, Kings Buildings, King Street, Chester, together with the 12 flats erected thereon.
- To act as an association of and for the residents thereof as the directors may consider necessary or desirable.

REVIEW OF THE BUSINESS

The company which is a mutual trading company has continued to serve and enhance the common interests of the residents with respect to the rear of the flats and other shared facilities. The company is supported by the residents and maintenance contributions continue to be collected.

Income

We earned interest on our current account of £156, and on our six month deposit account interest of £160. Apart from the monthly management fee of £59, we earned an extra £243 of miscellaneous income, £129 related to the insurance claim.

Expenditure

We are please to report that our costs this year have turned out to be very close to our budget.

Maintenance

We exceeded our maintenance budget by £248 which is the cost of the common area cleaning (£247). This cleaning charge was carried into this year, but the cost had actually been budgeted for last year when we had a large surplus.

We installed our rooftop satellite dish and future years will see a much smaller provision for maintenance, although some costs will be incurred for bin doors.

Cleaning

We had a saving of £108.00 on our estimates but only because the cleaners did not turn up at times in the year.

Insurance

This was to budget.

Electricity

Our costs have now stabilised at a low value and within budget.

Gardening

We managed to stay within 6% of the budgeted cost this year.

Directors Fees

These increased in line with inflation.

Administration

This was to budget.

DIVIDENDS

Under the terms of the company's Memorandum of Association the company cannot pay a dividend to shareholders.

FIXED ASSETS

The freehold interest in the property is shown in the balance sheet at a nominal £1.00. The freehold is subject to the terms and conditions of the several leases which are in the names of all the shareholders.

Kings Building Management Company Ltd

Report of the Directors - continued
for the Year Ended 31 March 1999

DIRECTORS

The directors during the year and their interests in the shares of the company were:

	No of ordinary shares held	
	1999	1998
K J Hills	1	1
B J Croxford	1	1
D Fraser	1	1

In accordance with the Articles of Association no director is required to retire by rotation.

STATEMENTS OF DIRECTORS' RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS

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

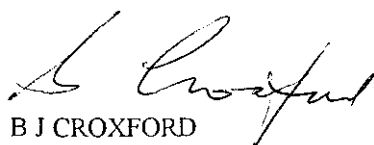
- make suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue to operate.

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.

Messrs Conway & Co were auditors of the company and seek re-election at the forthcoming Annual General Meeting.

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

By order of the Board


B J CROXFORD
Chairman

Kings Building Management Company Ltd

Report of the Auditors to the Shareholders of
Kings Building Management Company Ltd

We have audited the financial statements on pages five to eight which have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective March 1999), under the historical cost convention and the accounting policies set out on page seven.

Respective responsibilities of directors and auditors

As described on page three 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 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.

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 1999 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Conway & Co.

Conway & Co
Chartered Accountants
and Registered Auditors
Chester

Dated: 31 August 1999.

Kings Building Management Company Ltd

Profit and Loss Account
for the Year Ended 31 March 1999

		31.3.99	31.3.98
	Notes	£	£
TURNOVER		8,561	8,527
GROSS PROFIT		8,561	8,527
Administrative expenses		7,820	11,393
		741	(2,866)
Other operating income		104	835
OPERATING PROFIT/(LOSS)	2	845	(2,031)
Interest receivable and similar income		315	460
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		1,160	(1,571)
Tax on profit/(loss) on ordinary activities		-	-
PROFIT/(LOSS) FOR THE FINANCIAL YEAR AFTER TAXATION		1,160	(1,571)
Deficit brought forward		(14)	(14)
		1,146	(1,585)
Movement in property provision		5,833	1,571
RETAINED PROFIT/(DEFICIT) CARRIED FORWARD		£6,979	£(14)

The notes form part of these financial statements

Kings Building Management Company Ltd

Balance Sheet
31 March 1999

		31.3.99		31.3.98	
	Notes	£	£	£	£
FIXED ASSETS:					
Tangible assets	3		1		1
CURRENT ASSETS:					
Debtors	4	59		-	
Cash at bank		8,118		7,025	
		<u>8,177</u>		<u>7,025</u>	
CREDITORS: Amounts falling due within one year	5	<u>1,187</u>		<u>1,195</u>	
NET CURRENT ASSETS:			<u>6,990</u>		<u>5,830</u>
TOTAL ASSETS LESS CURRENT LIABILITIES:			6,991		5,831
PROVISIONS FOR LIABILITIES AND CHARGES:	6		-		5,833
			<u>£6,991</u>		<u>£(2)</u>
CAPITAL AND RESERVES:					
Called up share capital	7		12		12
Profit and loss account			<u>6,979</u>		<u>(14)</u>
Shareholders' funds			<u>£6,991</u>		<u>£(2)</u>

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective March 1999).

ON BEHALF OF THE BOARD:


B J Croxford - DIRECTOR

Approved by the Board on 28/8/99

Notes to the Financial Statements
for the Year Ended 31 March 1999

1. **ACCOUNTING POLICIES**

Accounting Conventions

The financial statements are prepared under the historical cost convention.

Cash Flow Statement

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

Fixed Asset

Freehold land is stated at cost and is not depreciated. All other fixed assets are written off in the year purchased.

Deferred taxation

Provision is made at current rates for taxation deferred in respect of all material timing differences except to the extent that, in the opinion of the directors, there is reasonable probability that the liability will not arise in the foreseeable future.

Investment Assets Investments

Fixed asset investments are stated in the balance sheet at cost.

2. **OPERATING PROFIT/(LOSS)**

The operating profit (1998 - operating loss) is stated after charging/(crediting):

	31.3.99	31.3.98
	£	£
Profit on disposal of fixed assets	-	(443)
Auditors' remuneration	1,246	713
	<u> </u>	<u> </u>
Directors' emoluments and other benefits etc	2,430	2,348
	<u> </u>	<u> </u>

3. **TANGIBLE FIXED ASSETS**

	Land and buildings
	£
COST:	
At 1 April 1998	
and 31 March 1999	1
	<u> </u>
NET BOOK VALUE:	
At 31 March 1999	1
	<u> </u>
At 31 March 1998	1
	<u> </u>

4. **DEBTORS: AMOUNTS FALLING
DUE WITHIN ONE YEAR**

	31.3.99	31.3.98
	£	£
Trade debtors	59	-
	<u> </u>	<u> </u>

Notes to the Financial Statements
for the Year Ended 31 March 1999

5. **CREDITORS: AMOUNTS FALLING
DUE WITHIN ONE YEAR**

	31.3.99	31.3.98
	£	£
Deferred income	396	396
Accrued expenses	791	799
	<u>1,187</u>	<u>1,195</u>

6. **PROVISIONS FOR LIABILITIES AND CHARGES**

	31.3.99	31.3.98
	£	£
Provision for repairs to property	-	5,833
	<u>-</u>	<u>5,833</u>

In line with FRS 12 requirements, the provision has been released to the profit and loss account.

7. **CALLED UP SHARE CAPITAL**

Authorised, allotted, issued and fully paid:

Number:	Class:	Nominal value:	31.3.99	31.3.98
			£	£
12	ORDINARY	1	12	12
			<u>12</u>	<u>12</u>