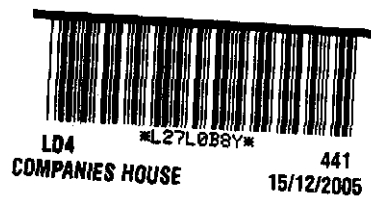


Company No. 1995498

WHITE HALL FLATS LIMITED

FINANCIAL STATEMENTS

YEAR ENDED 30TH JUNE 2005



**BRITT & KEEHAN
CHARTERED ACCOUNTANTS
60 FITZJAMES AVENUE
CROYDON
CRO 5DD**

WHITE HALL FLATS LIMITED

DIRECTORS' REPORT

30th June 2005

The Directors present their annual report with the accounts of the Company for the year ended 30th June 2005.

PURPOSE OF THE BUSINESS AND RESULTS

The principal purpose of the Company is to regulate, control the use of, and maintain the property and building known as White Hall, 9-11 Bloomsbury Square, London WC1.

The Company does not operate for profit. The expenses for the year, net of interest received, amounted to £82,261 against levies of £90,000. The total costs are recoverable under deeds of covenant entered into by the lessees of the flats that comprise the building, in agreed proportions.

SHAREHOLDERS

No person can be admitted to membership of the Company other than the owners for the time being of the flats comprised in the property. In the opinion of the Directors, the Company is not a close company within the meaning of the Taxes Act.

DIRECTORS

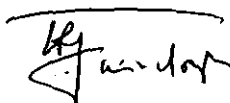
The Directors of the Company during the year were as follows:

	<u>Period of directorship</u>		<u>Share ownership throughout period</u>
	<u>From</u>	<u>to</u>	
V Edwards	01.07.04	30.06.05	1
T R Fairclough	01.07.04	30.06.05	1
S Goonatilake	01.07.04	30.06.05	1
D G Innes	01.07.04	30.06.05	1
T Julian	01.07.04	30.06.05	1
M G Sutherland	01.07.04	30.06.05	1

The Auditors, Messrs Britt & Keehan, Chartered Accountants, are willing to continue in office and a motion for their reappointment will be put before the Annual General Meeting.

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

Signed on behalf of the Board of Directors



T R FAIRCLOUGH
Secretary:

Date: 28 October 2005

WHITE HALL FLATS LIMITED

INDEPENDENT AUDITORS' REPORT

30th June 2005

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF WHITE HALL FLATS LIMITED

We have audited the financial statements for the year ended 30th June 2005 as set out on pages 4 to 7 which have been prepared in accordance with the accounting policies set out on page 6.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

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:

- 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 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.

As described above, the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom accounting standards.

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 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 accounts. It also includes an assessment of the significant estimates and judgements by the directors in the preparation of the accounts, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

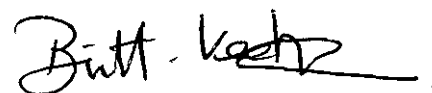
We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient, reliable and relevant evidence to give reasonable assurance that the accounts are free from material misstatements, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the accounts.

WHITE HALL FLATS LIMITED**INDEPENDENT AUDITORS' REPORT (continued)**
30th June 2005**OPINION**

In our opinion the accounts give a true and fair view of the state of the company's affairs at 30th June 2005 and of the result for the year then ended, and have been properly prepared in accordance with the provisions of the Companies Act 1985.

60 Fitzjames Avenue
Croydon
CRO 5DD

Date1st.....November.2005..



BRITT & KEEHAN
CHARTERED ACCOUNTANTS
REGISTERED AUDITOR

WHITE HALL FLATS LIMITED

INCOME AND EXPENDITURE ACCOUNT
For the year ended 30th June 2005

	<u>Note</u>	<u>2005</u>	<u>2004</u>
		£	£
TURNOVER			
Service charges	1	90,000	90,000
Staff Costs		31,169	20,060
Operating expenses		43,247	107,056
Administrative expenses		<u>8,794</u>	<u>5,626</u>
		<u>83,210</u>	<u>132,742</u>
		6,790	(42,742)
Interest receivable (gross)	1	<u>949</u>	<u>364</u>
Surplus/(deficit) for the year before taxation		7,739	(42,378)
Taxation		<u>-</u>	<u>5</u>
		7,739	(42,373)
Transfer (to)/from Reserve Fund		<u>(7,739)</u>	<u>42,373</u>
		<u>£ -</u>	<u>£ -</u>

WHITE HALL FLATS LIMITED

BALANCE SHEET

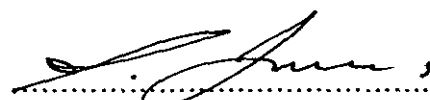
As at 30th June 2005

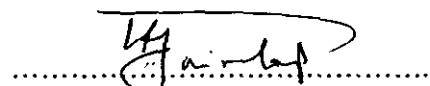
	NOTE	£	2005	£	£	2004	£
CURRENT ASSETS							
Cash at bank			25,125			10,517	
Debtors	2		<u>146</u>			<u>11,025</u>	
				25,271			21,542
CREDITORS (amounts falling due within one year)							
	3		<u>11,204</u>			<u>15,214</u>	
				£14,067			£6,328
				<u>£14,067</u>			<u>£6,328</u>
CAPITAL AND RESERVES							
Called up share capital	4			19			19
Reserves	5			<u>14,048</u>			<u>6,309</u>
				£14,067			£6,328
				<u>£14,067</u>			<u>£6,328</u>

The notes on pages 6-7 form part of these financial statements.

The accounts were prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

SIGNED ON BEHALF OF THE BOARD OF DIRECTORS


D G INNES


T R FAIRCLOUGH

Directors

Date: 28 October 2005

WHITE HALL FLATS LIMITED**NOTES TO THE ACCOUNTS****For the year ended 30th June 2005****1. ACCOUNTING POLICIES****Basis of accounting**

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

Service charges

These represent amounts recoverable under the covenants entered into by the Company with the lessees of the flats at White Hall, 9-11 Bloomsbury Square, London WC1.

Interest earned

Interest earned on bank balances is brought to the credit of the Income & Expenditure account when received.

Expenditure

Expenditure is charged to the Income & Expenditure account when it is incurred. An accrual is calculated for any expenditure incurred for which an invoice has not yet been received. Any expenditure which has been incurred in respect of future accounting periods is treated as prepaid.

This is change of accounting policy.

Previously expenditure was charged to the Income & Expenditure account when it was paid.

As a result of this change of policy, there are two material effects on this year's Income & Expenditure account:-

- a. The insurance charge is negligible. The insurance policies for the year ended 29th June 2005 were paid on 29th June 2004 and included in the accounts for the year ended 30th June 2004. The Income & Expenditure account includes an accrual for one day in respect of the policy for 2005/06. The renewal premium was paid in July 2005.
- b. The charge for audit and accountancy represents two years fees. The fees for the year ended 30th June 2004 were unpaid at that date and therefore not included in those accounts. The charge in the 2004 accounts is the payment of the fees in respect of the 2003 accounts. In accordance with the new accounting policy, provision has been made for the fees arising for the audit of the 2005 accounts. Therefore the charge shown in the Income & Expenditure account this year is the payment of the 2004 fees and the accrual of 2005 fees. Other expenditure headings are affected by this change of policy, but not by a material amounts.

2. DEBTORS

Service charges due from members

Prepayments

2005
£

2004
£

-

11,025

146-£146£11,025

WHITE HALL FLATS LIMITED

NOTES TO THE ACCOUNTS (continued)

For the year ended 30th June 2005

	<u>2005</u> £	<u>2004</u> £
3. CREDITORS (amounts falling due within one year)		
Service charges paid in advance	6,660	-
Accruals	4,544	-
Unreleased cheques at balance sheet date	—	<u>15,214</u>
	<u>£11,204</u>	<u>£15,214</u>
4. SHARE CAPITAL		
Authorised	£19 ==	£19 ==
Allotted, issued and fully paid 19 Ordinary shares of £1 each	£19 ==	£19 ==
5. RESERVE FUND		
As at 30 th June 2004	6,309	48,682
Transfer to/(from) Income and Expenditure account	<u>7,739</u>	<u>(42,373)</u>
As at 30 th June 2005	<u>£14,048</u>	<u>£6,309</u>

There is planned expenditure from July to December 2005 of £12,062.