

HURLINGHAM BUSINESS PARK (MANAGEMENT) LIMITED

Company No. 2095765

ACCOUNTS

for the year ended

31ST DECEMBER 1998



DEREK WEBSTER & CO.

136 BAKER STREET,

LONDON. W1M 2DU

HURLINGHAM BUSINESS PARK (MANAGEMENT) LIMITED

REPORT OF THE DIRECTORS

FOR THE YEAR ENDED 31ST DECEMBER 1998

The directors have pleasure in submitting their report and audited accounts of the company for the year ended 31st December 1998.

PRINCIPAL ACTIVITIES:

The company's activities comprise the control, supervision, maintenance and management of the premises known as Hurlingham Business Park, for the benefit of the freeholders.

DIRECTORS:

The following persons were directors of the company during the year, and their shareholdings were as follows:

	At 31.12.98	At 31.12.97
S. Chase	-	-
M. R. Millbourn	850	850
T. Carvall (Resigned 3.6.98)	-	-
S. Lewis (Appointed 17.8.98)	-	-
N Anwyl-Davies (Appointed 17.8.98)	-	-
M Hunt (Appointed 17.8.98)	-	-

DIRECTORS' RESPONSIBILITIES:

Company law requires the directors to prepare accounts 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 accounts, the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- follow applicable accounting standards, subject to any material departures disclosed and explained in the accounts;
- prepare the accounts 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 to enable them to ensure that the accounts comply with the Company law. 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.

HURLINGHAM BUSINESS PARK (MANAGEMENT) LIMITED

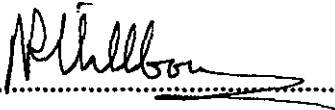
REPORT OF THE DIRECTORS

FOR THE YEAR ENDED 31ST DECEMBER 1998

AUDITORS :

Derek Webster & Co. have expressed their willingness to continue as auditors and a resolution for their re-appointment will be proposed at the forthcoming Annual General Meeting.

This report, which has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 applicable to small companies and in accordance with the Financial Reporting Standard for Smaller Entities (effective March 1999), was approved by the board of directors on 26 October 1999 and signed on its behalf by :


.....

**AUDITORS' REPORT TO THE SHAREHOLDERS OF
HURLINGHAM BUSINESS PARK (MANAGEMENT) LIMITED**

We have audited the accounts on pages 4 to 7 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 6.

Respective Responsibilities of Directors and Auditors :

As described on pages 1 and 2 the company's directors are responsible for the preparation of accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts 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 accounts. It also includes an assessment of the significant estimates and judgements made 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 evidence to give reasonable assurance that the accounts 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 accounts.

Opinion :

In our opinion the accounts give a true and fair view of the state of the company's affairs at 31st December 1998 and of its income and expenditure for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985 applicable to small companies.

Date : 26 October 1999

Derek Webster & Co.

DEREK WEBSTER & CO.
Chartered Accountants
& Registered Auditor,
136 Baker Street,
London. W1M 2DU

HURLINGHAM BUSINESS PARK (MANAGEMENT) LIMITED

INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31ST DECEMBER 1998

	<i>Note</i>	<i>Year ended 31.12.98 £</i>	<i>Year ended 31.12.97 £</i>
TURNOVER :			
Service charges receivable		88,800.49	91,622.95
		<hr/>	<hr/>
ADMINISTRATIVE EXPENSES :			
Staff wages		20,635.41	19,614.26
Electricity		1,435.01	1,673.84
Telephone		550.56	604.16
Gardening		1,337.58	1,266.51
General maintenance		2,800.48	4,739.93
Window cleaning		3,000.00	3,000.00
Refuse disposal		4,718.38	5,942.66
Security services		39,624.54	38,581.71
Insurance		871.63	1,194.27
Sundry expenses		412.40	430.61
Legal and professional fees		(60.50)	1,100.00
Audit fee		1,020.00	1,020.00
Accountancy fee		255.00	255.00
Management fee		10,200.00	10,200.00
Contribution to reserve fund		2,152.09	2,012.94
		<hr/>	<hr/>
		88,952.58	91,635.89
		<hr/>	<hr/>
OPERATING LOSS		(152.09)	(12.94)
Interest received		190.12	16.18
		<hr/>	<hr/>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAX		38.03	3.24
Taxation	4	(38.03)	(3.24)
		<hr/>	<hr/>
PROFIT FOR THE FINANCIAL YEAR ON ORDINARY ACTIVITIES AFTER TAXATION/ RETAINED PROFIT FOR YEAR		£ Nil	£ Nil
		<hr/>	<hr/>

The notes on pages 6 and 7 form an integral part of these accounts.

HURLINGHAM BUSINESS PARK (MANAGEMENT) LIMITED

BALANCE SHEET AS AT 31ST DECEMBER 1998

	<i>Note</i>	<i>31.12.98</i> £	<i>31.12.97</i> £
CURRENT ASSETS :			
Debtors - Members' arrears		24,345.67	9,804.57
Prepayments		520.00	520.00
Bank deposit account		3,665.03	1,512.94
Cash held by managing agents		10,774.31	21,996.18
		<u>39,305.01</u>	<u>33,833.69</u>
CREDITORS : Amounts falling due within one year			
Service charge advance payments		25,463.25	23,566.50
Other creditors		1,176.01	753.87
Accruals		8,400.72	7,400.38
		<u>35,039.38</u>	<u>31,720.75</u>
NET CURRENT ASSETS		4,265.03	2,112.94
PROVISION FOR LIABILITIES AND CHARGES	2	4,165.03	2,012.94
		<u>£ 100.00</u>	<u>£ 100.00</u>
CAPITAL AND RESERVES :			
CALLED UP SHARE CAPITAL	3	100.00	100.00
SHAREHOLDERS FUNDS		<u>£ 100.00</u>	<u>£ 100.00</u>

The notes on pages 6 and 7 form an integral part of these accounts.

The accounts, which have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 applicable to small companies and in accordance with the Financial Reporting Standard for Smaller Entities (effective March 1999), were approved by the board of directors on 26 October 1999 and signed on its behalf by :

.....  Director

HURLINGHAM BUSINESS PARK (MANAGEMENT) LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER 1998

1. ACCOUNTING POLICIES :

a) Basis of Preparation of Accounts :

The accounts are prepared under the historical cost convention and the Financial Reporting Standard for Smaller Entities (effective March 1999).

The company is operated as a mutual concern for the benefit of the members. Consequently an *Income and Expenditure Account* has been prepared as this is considered more appropriate than a profit and loss account.

b) Service Charges Receivable :

The service charges receivable for the year are based on estimated expenditure levels, and are subject to adjustment by means of a balancing charge or credit at the end of the financial year, such that neither surplus nor deficit arises on the *Income and Expenditure Account*.

c) Taxation :

The company is operated as a mutual concern, whose income always equals its expenses. As a result no liability to Corporation Tax arises other than in respect of interest earned on reserve fund deposits.

2. PROVISION FOR LIABILITIES & CHARGES (Reserve for Future Expenditure) :

A reserve fund has been created to provide for the replacement of the Business Park roads, drainage, lighting and the security hut and is held in a separate interest earning deposit account but from which the funds are otherwise immediately accessible.

Balance at 1.1.98	2,012.94
Provision for year (inclusive of £152.09 net deposit interest received)	2,152.09
Balance at 31.12.98	<u>£ 4,165.03</u>

3. CALLED UP SHARE CAPITAL :

	1998 £	1997 £
Authorised :		
5,000,000 Ordinary 1p shares	<u>£50,000.00</u>	<u>£50,000.00</u>
Allotted, Called Up and Fully Paid :		
10,000 Ordinary 1p shares	<u>£ 100.00</u>	<u>£ 100.00</u>

HURLINGHAM BUSINESS PARK (MANAGEMENT) LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER 1998

4. TAXATION :	1998	1997
	£	£
UK corporation tax at 21% (1997 24/21%)	£ 38.03	£ 3.24