

Companies Ltd

Company Registration No. 3615032 (England and Wales)

**SOVEREIGN HOUSE (EASTBOURNE)
LIMITED**

REPORT AND UNAUDITED ACCOUNTS

YEAR ENDED 24 MARCH 2005



SOVEREIGN HOUSE (EASTBOURNE) LIMITED

COMPANY INFORMATION

Directors	Miss M Mutton Mr S W J Welham Mr R A Hunt (Appointed 14 November 2004)
Secretary	Mr R A Hunt
Company number	3615032
Registered office	100 South Street Eastbourne East Sussex BN21 4QJ
Accountants	Price & Company 30-32 Gildredge Road Eastbourne East Sussex BN21 4SH
Bankers	National Westminster Bank 1 High Street Hailsham East Sussex BN27 1AJ

SOVEREIGN HOUSE (EASTBOURNE) LIMITED

CONTENTS

	Page
Directors' report	1
Accountants' report	2
Profit and loss account	3
Balance sheet	4
Notes to the financial statements	5 - 6

SOVEREIGN HOUSE (EASTBOURNE) LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 24 MARCH 2005

The directors present their report and financial statements for the year ended 24 March 2005.

Principal activities

The principal activity of the company continues to be the management of the property known as Sovereign House, Grand Parade, Eastbourne.

Directors

The following directors have held office since 25 March 2004:

Rev R G Street	(Resigned 14 November 2004)
Miss M Mutton	
Mr S W J Welham	
Mr R A Hunt	(Appointed 14 November 2004)

Directors' interests

The directors' interests in the shares of the company were as stated below:

	Ordinary shares of £ 1 each	
	24 March 2005	25 March 2004
Miss M Mutton	3	3
Mr S W J Welham	3	3
Mr R A Hunt	3	3

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

On behalf of the board



Mr S W J Welham

Director

5 October 2005

SOVEREIGN HOUSE (EASTBOURNE) LIMITED

CHARTERED ACCOUNTANTS' REPORT TO THE BOARD OF DIRECTORS ON THE UNAUDITED ACCOUNTS FOR THE YEAR ENDED 24 MARCH 2005

In accordance with the engagement letter and in order to assist you to fulfil your duties under the Companies Act 1985, we have compiled the financial statements of Sovereign House (Eastbourne) Limited for the year ended 24 March 2005, set out on pages 3 to 6 from the accounting records and information and explanations you have given to us.


This report is made to the company's board of directors, as a body, in accordance with the terms of our engagement. Our work has been undertaken so that we might compile the financial statements that we have been engaged to compile, report to the company's board of directors that we have done so, and state those matters that we have agreed to state to them in this report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's board of directors, as a body, for our work or for this report.

We have carried out this engagement in accordance with technical guidance issued by the Institute of Chartered Accountants in England and Wales and have complied with the ethical guidance laid down by the Institute relating to members undertaking the compilation of financial statements.

You have acknowledged on the balance sheet for the year ended 24 March 2005 your duty to ensure that the company has kept proper accounting records and to prepare financial statements that give a true and fair view under the Companies Act 1985. You consider that the company is exempt from the statutory requirement for an audit for the year.

We have not been instructed to carry out an audit of the financial statements. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the financial statements.

Eastbourne
6 October 2005


Price & Company
Chartered Accountants

SOVEREIGN HOUSE (EASTBOURNE) LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 24 MARCH 2005

	Notes	2005 £	2004 £
Turnover		36,071	35,254
Other operating income		<u>125</u>	<u>125</u>
		36,196	35,379
Operating charges		<u>37,165</u>	<u>35,968</u>
Operating profit	2	(969)	(589)
Interest receivable		<u>1,000</u>	<u>620</u>
Profit on ordinary activities before taxation		31	31
Tax on profit on ordinary activities	3	<u>-</u>	<u>-</u>
Profit on ordinary activities after taxation	9	<u><u>£31</u></u>	<u><u>£31</u></u>

SOVEREIGN HOUSE (EASTBOURNE) LIMITED

BALANCE SHEET AS AT 24 MARCH 2005

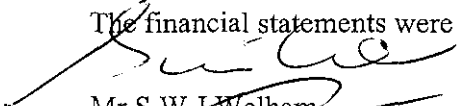
	Notes	2005 £	£	2004 £	£
Fixed assets					
Tangible assets	4		31,801		31,801
Current assets					
Debtors	5	9,635		4,727	
Cash at bank and in hand		32,406		34,102	
		<u>42,041</u>		<u>38,829</u>	
Creditors: amounts falling due within one year	6	<u>44,207</u>		<u>41,026</u>	
Net current liabilities			(2,166)		(2,197)
			<u>£29,635</u>		<u>£29,604</u>
Creditors: amounts falling due after more than one year	7		29,269		29,269
Capital and reserves					
Called up share capital	8	56		56	
Profit and loss account	9	<u>310</u>		<u>279</u>	
Shareholders' funds			366		335
			<u>£29,635</u>		<u>£29,604</u>

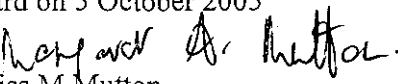
In preparing these financial statements:

- The directors are of the opinion that the company is entitled to the exemption from audit conferred by Section 249A(1) of the Companies Act 1985;
- No notice has been deposited under Section 249B(2) of the Companies Act 1985, and
- The directors acknowledge their responsibilities for:
 - ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985, and
 - preparing accounts 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 its profit or loss for the financial year in accordance with the requirements of Section 226, and which otherwise comply with the requirements of this Act relating to accounts, so far as applicable to the company.

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 June 2002).

The financial statements were approved by the Board on 5 October 2005


Mr S W J Welham
Director


Miss M Mutton
Director

SOVEREIGN HOUSE (EASTBOURNE) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 24 MARCH 2005

1 Accounting policies

1.1 Accounting convention

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

1.2 Turnover

Turnover represents amounts receivable from leaseholders in respect of the maintenance and management expenses incurred in the year.

1.3 Tangible fixed assets and depreciation

No depreciation is provided on the freehold reversionary interest in the property, as this is not considered to have a finite life.

1.4 Deferred taxation

Deferred tax is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes.

2	Operating profit	2005 £	2004 £
	Operating profit is stated after charging:		
	Directors' emoluments	-	-

3 Taxation

On the basis of these financial statements no provision has been made for corporation tax.

4 Tangible fixed assets

	2005 £
Freehold reversion - at cost	
At 25 March 2004 & at 24 March 2005	£31,801

5	Debtors	2005 £	2004 £
	Maintenance arrears	1,118	859
	Income tax recoverable	326	251
	Other debtors	8,191	3,617
		£9,635	£4,727

SOVEREIGN HOUSE (EASTBOURNE) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 24 MARCH 2005

6	Creditors: amounts falling due within one year	2005 £	2004 £
	Reserve fund (see below)	40,675	35,102
	Maintenance in advance	-	1,360
	Short term loans from tenants	2,618	2,618
	Other creditors and accruals	914	1,946
		<u>£44,207</u>	<u>£41,026</u>
	Reserve fund		
	Balance at 25 March 2004	35,102	27,463
	Transfer from maintenance account	5,573	7,639
		<u>£40,675</u>	<u>£35,102</u>

7	Creditors: amounts falling due after more than one year	2005 £	2004 £
	Loans from shareholders	<u>29,269</u>	<u>29,269</u>

The loans from shareholders were provided to enable the company to acquire the freehold reversionary interest in the property. They do not bear interest and are not repayable.

8	Share capital	2005 £	2004 £
	Authorised		
	100 Ordinary shares of £1 each	<u>£100</u>	<u>£100</u>
	Allotted, called up and fully paid		
	56 Ordinary shares of £1 each	<u>£56</u>	<u>£56</u>

9 Statement of movements on profit and loss account

	Profit and loss account £
Balance at 25 March 2004	279
Retained profit for the year	31
Balance at 24 March 2005	<u>£310</u>

SOVEREIGN HOUSE (EASTBOURNE) LIMITED

**COMPANY PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 24 MARCH 2005**

	2005		2004	
	£	£	£	£
Income				
Ground rent receivable		125		125
		<u>125</u>		<u>125</u>
		125		125
Expenses				
Accountancy	94		94	
	<u>94</u>		<u>94</u>	
		94		94
Profit before taxation		31		31
Taxation on company funds		-		-
		<u>-</u>		<u>-</u>
Profit after taxation		<u>£31</u>		<u>£31</u>

SOVEREIGN HOUSE (EASTBOURNE) LIMITED

MAINTENANCE ACCOUNT FOR THE YEAR ENDED 24 MARCH 2005

	2005		2004	
	£	£	£	£
Income				
Maintenance received		36,071		35,254
Bank interest received, net of tax		1,000		620
		<u>37,071</u>		<u>35,874</u>
Water rates	24		22	
Insurance	7,911		7,433	
Light and heat	521		477	
Cleaning	2,722		2,687	
Gardening	180		245	
Interior redecoration	2,820		-	
General repairs	2,711		4,342	
Fire alarm	1,823		2,819	
T V Aerial system	3,363		2,020	
Lift service contract and repairs	3,132		2,573	
Lift insurance	698		741	
Lift telephone	337		252	
Entryphone	2,066		1,919	
Professional fees re internal redecoration	423		-	
Accountancy	517		505	
Management fees	2,166		2,102	
Sundry expenses	84		98	
		<u>31,498</u>		<u>28,235</u>
		5,573		7,639
Transfer to reserve fund		<u>5,573</u>		<u>7,639</u>
Deficit for the year recoverable from tenants		<u>-</u>		<u>-</u>