
1-20A PRINCE OF WALES MANSIONS LIMITED

UNAUDITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2007

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1-20A PRINCE OF WALES MANSIONS LIMITED

COMPANY INFORMATION

DIRECTORS

Mr J W Collis
Ms V A Dickson
Ms R I Fellowes
Ms L Lamson (resigned 4/4/08)
Ms R A Pack

SECRETARY

Ms V A Dickson

COMPANY NUMBER

5316770

REGISTERED OFFICE

Flat 12A Prince of Wales Mansions
Prince of Wales Drive
London
SW11 4BG

1-20A PRINCE OF WALES MANSIONS LIMITED

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1-20A PRINCE OF WALES MANSIONS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2007

The Directors present their report and the financial statements for the year ended 31 December 2007

PRINCIPAL ACTIVITIES

The Company was incorporated on 20 December 2004 to purchase the freehold interest of flats 1-20A Prince of Wales Mansions, London SW11

Under a participation agreement a number of the leasehold tenants of the property agreed to make contributions to the Company to fund the purchase price in return for an extension to their existing leases. The price of the freehold property was negotiated by Mr G French (Chartered Surveyor) of Friend and Falcke in accordance with the Leasehold Reform Housing and Urban Development Act (1993), as amended by the Commonhold and Leasehold Reform Act 2002.

The company receives rental income from its interest in the freehold property.

DIRECTORS

The Directors who served during the year were

Mr J W Collis
Ms V A Dickson
Ms R I Fellowes
Ms L Lamson (resigned 4/4/08)
Ms R A Pack

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Directors are responsible for preparing the Annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the company and of the surplus or deficit of the company for that period. In preparing these financial statements, the Directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgments 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 that 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.

1-20A PRINCE OF WALES MANSIONS LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2007**

SHARE CAPITAL

The authorised share capital of the Company comprises 100 shares of £1 each, divided into 50 'A' ordinary shares of £1 each and 50 'B' ordinary shares of £1 each ranking pari passu, except that the holders of the 'A' shares shall only be entitled to vote on matters pertaining to service charges payable in respect of residences in the building, and shall be transferred to the new tenant once the holders cease to be residents of the building

The holders of the 'B' ordinary shares are not obliged to transfer them for any reason, and are also required to contribute towards any shortfall of monies needed to repay the mortgage taken out by the Company

Details of shares allotted, issued and fully paid by the company are disclosed in note 10 of these financial statements

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

This report was approved by the Board on *14th July 2008* and signed on its behalf



Ms V A Dickson
Secretary

1-20A PRINCE OF WALES MANSIONS LIMITED

INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2007

	Note	2007 £	2006 £
TURNOVER	1	8,745	8,820
Administrative expenses		(2,345)	(1,662)
OPERATING SURPLUS		6,400	7,158
Interest receivable		468	258
Interest payable		(12,042)	(12,248)
DEFICIT ON ORDINARY ACTIVITIES BEFORE TAXATION		(5,174)	(4,832)
Tax on deficit on ordinary activities	3	-	456
DEFICIT ON ORDINARY ACTIVITIES AFTER TAXATION	9	(5,174)	(4,376)

The notes on pages 6 to 9 form part of these financial statements

1-20A PRINCE OF WALES MANSIONS LIMITED

**BALANCE SHEET
AS AT 31 DECEMBER 2007**

	Note	£	2007 £	£	2006 £
FIXED ASSETS					
Tangible fixed assets	4		233,061		233,061
CURRENT ASSETS					
Debtors	5	4,660		2,788	
Cash at bank		15,833		20,119	
		<u>20,493</u>		<u>22,907</u>	
CREDITORS amounts falling due within one year	6	(5,762)		(6,076)	
NET CURRENT ASSETS			<u>14,731</u>		<u>16,831</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>247,792</u>		<u>249,892</u>
CREDITORS amounts falling due after more than one year	7		(234,463)		(231,389)
NET ASSETS			<u><u>13,329</u></u>		<u><u>18,503</u></u>
CAPITAL AND RESERVES					
Called up share capital	8		47		47
Income and expenditure account	9		13,282		18,456
SHAREHOLDERS' FUNDS			<u><u>13,329</u></u>		<u><u>18,503</u></u>

The Directors consider that the Company is entitled to exemption from the requirement to have an audit under the provisions of section 249A(1) of the Companies Act 1985 and members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 249B(2) of the Act. The Directors acknowledge their responsibilities for ensuring that the Company keeps accounting records which comply with section 221 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the Company as at 31 December 2007 and of its loss for the year then ended in accordance with the requirements of section 226 of the Act and which otherwise comply with the requirements of the Companies Act 1985 relating to the financial statements so far as applicable to the Company.

The financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2007).

The financial statements were approved and authorised for issue by the Board and were signed on its behalf on

14 July 2008
John W. Collis

Mr J W Collis
Director

V A Dickson

Ms V A Dickson
Director

The notes on pages 6 to 9 form part of these financial statements

1-20A PRINCE OF WALES MANSIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2007

1. ACCOUNTING POLICIES

1 1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2007)

1 2 Turnover

Turnover comprises rent receivable by the company

1 3 Tangible Fixed Assets

The freehold property is stated at the net acquisition cost to the company which is considered to be not less than current market value

2 DIRECTORS REMUNERATION

During the period, no Director received any emoluments

3 TAXATION

	2007 £	2006 £
Analysis of tax credit in the year		
UK corporation tax charge/(credit) on deficit for the year	-	(1,150)
Adjustments in respect of prior periods	-	694
	<hr/>	<hr/>
Tax on deficit on ordinary activities	<hr/> - <hr/>	<hr/> (456) <hr/>

Factors affecting tax charge for the year

Due to losses incurred during the year there is no charge to tax

Factors that may affect future tax charges

There were no factors that may affect future tax charges

1-20A PRINCE OF WALES MANSIONS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2007**

4. TANGIBLE FIXED ASSETS

	Land and buildings £
Cost	
At 1 January 2007 and 31 December 2007	233,061
Depreciation	
At 1 January 2007 and 31 December 2007	-
Net book value	
At 31 December 2007	233,061
At 31 December 2006	233,061

The property value reflects the value attributed to the freehold value of the porter's flat and other non participating flats in the building

In the directors opinion, the cost of £233,061 is not considered to be less than the current market value of the freehold interest

5. DEBTORS

	2007 £	2006 £
Trade debtors	2,283	996
Other debtors	2,377	1,792
	<u>4,660</u>	<u>2,788</u>

6. CREDITORS

Amounts falling due within one year

	2007 £	2006 £
Bank loans and overdrafts	3,051	2,669
Other creditors	2,711	3,407
	<u>5,762</u>	<u>6,076</u>

1-20A PRINCE OF WALES MANSIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2007

7. CREDITORS.

Amounts falling due after more than one year

	2007 £	2006 £
Bank loans	161,973	165,053
Other creditors	72,490	66,336
	<u>234,463</u>	<u>231,389</u>

Creditors include amounts not wholly repayable within 5 years as follows

	2007 £	2006 £
Repayable by instalments	148,973	152,053
Repayable other than by instalments	72,490	66,337
	<u>221,463</u>	<u>218,390</u>

Other creditors of £72,490 (2006 £66,336) comprise contributions made by participators and ongoing payments made to assist with the repayment of the bank loan, less amounts attributed to the value of their leasehold extensions

This amount is not subject to any formal repayment terms and is unlikely to be repaid in the foreseeable future. However, in the event that non-participating lessees are subsequently invited to participate in the freehold interest owned by the company, then any additional contributions received may, with the agreement of the members, be applied against this amount.

The bank loan is repayable by monthly instalments over a 25 year period. The interest rate charged is 7.3% for the first 5 years of the loan, thereafter the company will have the option to fix the interest rate for a further period or pay a variable interest rate linked to Barclays Base Rate.

The bank loan is secured by legal charges dated 14 June 2005 as follows:

A first legal charge over the freehold property known as 1-20A Prince of Wales Mansions, London

A first legal charge over the leasehold property known as 11A Prince of Wales Mansions, London

1-20A PRINCE OF WALES MANSIONS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2007**

8 SHARE CAPITAL

	2007 £	2006 £
Authorised		
50 'A' Ordinary shares of £1 each	50	50
50 'B' Ordinary shares of £1 each	50	50
	<u>100</u>	<u>100</u>
 Allotted, called up and fully paid		
24 'A' Ordinary shares of £1 each	24	24
23 'B' Ordinary shares of £1 each	23	23
	<u>47</u>	<u>47</u>

In accordance with the terms of the participation agreement each participator is issued with one 'A' ordinary share and one 'B' ordinary share

These shares rank *pari passu* in all respects except that the holders of the 'A' shares shall only be entitled to vote on matters pertaining to service charges payable in respect of residences in the building, and shall be transferred to the new tenant once the holders cease to be residents of the building

The holders of the 'B' ordinary shares shall not be obliged to transfer them for any reason, and will also be required to contribute towards any shortfall of monies needed to repay the mortgage taken out by the Company

9. RESERVES

	Income and expenditure account £
At 1 January 2007	18,456
Deficit for the year	(5,174)
	<u>13,282</u>
At 31 December 2007	<u>13,282</u>