

LINCOLN HOUSE (BASIL STREET) LIMITED
BASIL STREET
LONDON SW3

Registered No: 1366821
(England & Wales)

FINANCIAL STATEMENTS
YEAR ENDED 25TH MARCH 2000

Hobday & Company
Chartered Accountants
35a High Street
Potters Bar
Herts
EN6 5AJ



REPORT OF THE DIRECTORS
Year ended 25th March 2000

The Directors present their annual report with the financial statements for the year ended 25th March 2000.

PRINCIPAL ACTIVITY

The Company has continued its business of regulating and controlling the use of and maintaining the property and building known as Lincoln House, Basil Street, London SW3.

DIRECTORS

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

R J Clough
J J Stork
K A Sharif (appointed 7th February 2000)

RESULTS FOR THE YEAR

The results for the year are set out in the financial statements which follow. The Directors recommend that the balances on the Income and Expenditure account be transferred to the Reserve Fund. The Company does not operate for profit.

DIRECTORS' RESPONSIBILITIES

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 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.

OTHER MATTERS

The Company is limited by guarantee not having a share capital. The liability of the Members, on which no amounts have been called, is limited to £1 per Member.

AUDITORS

The auditors, Messrs Hobday & Company, will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

This report was approved by the Board on 4th September 2000 and has been 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



R J Clough
Director

Lincoln House (Basil Street) Limited
48 Pelham Street
London SW7 2NW

TO THE MEMBERS OF

LINCOLN HOUSE (BASIL STREET) LIMITED

We have audited the financial statements on pages 3 to 6 which have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000) under the historical cost convention and the accounting policies set out on page 5.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As described on page 1, 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 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 25th March 2000 and of its results for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985.

35a High Street
Potters Bar
Herts
EN6 5AJ

Hobday & Company
Hobday & Company
Chartered Accountants and Registered Auditors

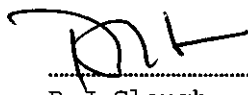
4th September 2000

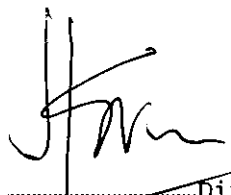
BALANCE SHEET
25th March 2000

	Notes	2000 £	1999 £
CURRENT ASSETS			
Debtors	1	18,572	31,470
Held by agents and at building society		190,169	159,216
		<u>208,741</u>	<u>190,686</u>
CREDITORS: amounts falling due within one year	2	69,823	68,582
		<u>£138,918</u>	<u>£122,104</u>
NET ASSETS			
		<u>£138,918</u>	<u>£122,104</u>
REPRESENTED BY:			
RESERVE FUND	3	£138,918	£122,104
		<u>£138,918</u>	<u>£122,104</u>

The financial statements have been prepared in accordance with the special provision of Part VII of the Companies Act 1985 relating to small companies and in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000).

Signed on behalf of the Board:


.....Director
R J Clough


.....Director
J J Stork

Approved by the Board: 4th September 2000

INCOME AND EXPENDITURE ACCOUNT
Year ended 25th March 2000

	Notes	2000 £	1999 £
TURNOVER			
Amounts recoverable from tenants		173,768	112,840
Direct costs		146,882	178,880
		<u>26,886</u>	<u>(66,040)</u>
Administrative expenses		(16,161)	(23,966)
OPERATING SURPLUS/(DEFICIT)	4	10,725	(90,006)
OTHER OPERATING INCOME			
Interest receivable		7,610	12,660
		<u>18,335</u>	<u>(77,346)</u>
SURPLUS/(DEFICIT) BEFORE TAXATION			
TAXATION	5	1,522	(1,992)
		<u>£ 16,813</u>	<u>£ (79,338)</u>
SURPLUS/(DEFICIT) AFTER TAXATION TO RESERVE FUND			

ACCOUNTING POLICIES

Year ended 25th March 2000

Accounting convention:

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000).

Turnover:

Turnover represents amounts recoverable under the covenants entered into by the Company with the freeholder and lessees of flats sold on leases expiring on 28th September 2052.

NOTES TO THE ACCOUNTS

1. DEBTORS	2000 £	1999 £
Prepayments	£ 18,572	£31,470
2. CREDITORS: amounts falling due within one year	2000 £	999 £
Accounts paid in advance by lessees	66,310	60,346
Accruals	2,585	5,396
Corporation tax	928	3,070
	£ 69,823	£68,582

3. RESERVE FUND

The Reserve Fund is a provision set aside for major repairs and replacements. Balances on the Income and Expenditure Account for the year are transferred to the Reserves at the end of the year.

	2000 £	1999 £
Balance at 26th March 1999	122,104	201,442
Surplus/(Deficit) for the year	10,725	(90,006)
Interest receivable (net of corporation tax)	6,089	10,668
Balance at 25th March 2000	£138,918	£122,104

4. OPERATING SURPLUS/(DEFICIT)	2000 £	1999 £
This is stated after charging:		
Auditors' remuneration	£ 2,585	£ 2,585

ACCOUNTING POLICIES
25th March 2000

5. TAXATION

The tax charge on the investment income for the year was as follows:	2000 £	1999 £
UK Corporation tax	1,522	3,070
Overprovision of taxation	-	(1,078)
	£ 1,522	£ 1,992

UK Corporation tax has been charged at 20% (1999: 21%)

6. CONTINGENT LIABILITIES

The Directors are not aware of any information requiring disclosure.

7. COMMITMENTS AND POST BALANCE SHEET EVENTS

The Directors have, since the Balance Sheet date, authorised expenditure for major repairs to the boilers. The Directors are also planning a major programme of refurbishment and redecoration.