

120 WIGMORE STREET LIMITED
(a company limited by guarantee)

FINANCIAL ACCOUNTS FOR THE
YEAR ENDED 24TH DECEMBER 1998

Company No: 2227770



120 WIGMORE STREET LIMITED
(a company limited by guarantee)

REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 24TH DECEMBER 1998

The Directors present their Annual Report with the Accounts of the Company for the year ended 24th December 1998.

STATEMENT OF DIRECTORS' RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

Company Law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of the 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 a 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 Company's Act 1985. They are also responsible for safeguarding the assets of the Company and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

PRINCIPAL ACTIVITY

The Company continued its principal activity of the management of the common areas on behalf of the residents of 120 Wigmore Street, London W1.

The results for the year are set out on page 3.

DIRECTORS

The directors who served during the year were:

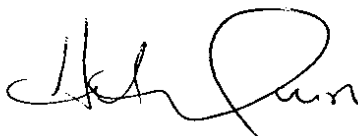
Mr G H W Herdman
Mr C Montgomery

SMALL COMPANY EXEMPTION

Advantage has been taken in the preparation of this report of special exemptions applicable to small companies.

Signed on behalf of the board of directors

Secretary



Date: 15th March 1999

120 WIGMORE STREET LIMITED (a company limited by guarantee)

BALANCE SHEET as at 24th December 1998

FIXED ASSETS	Note	1998		1997	
		£	£	£	£
Tangible Assets	7		73,000		74,000
<u>CURRENT ASSETS</u>					
Debtors	8	8,989		3,121	
Cash at bank and in hand		22,332		24,846	
		<u>31,321</u>		<u>27,967</u>	
<u>CURRENT LIABILITIES</u>					
Amounts falling within one year	9	<u>22,263</u>		<u>4,257</u>	
NET CURRENT ASSETS			9,058		23,710
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>82,058</u>		<u>97,710</u>
<u>CREDITORS</u>					
Amounts falling due after more than one year	10		(26,628)		(15,564)
			<u>£55,430</u>		<u>£82,146</u>
<u>CAPITAL & RESERVES</u>					
Reserves for future maintenance			45,430		77,146
Lift Reserve			10,000		5,000
			<u>£55,430</u>		<u>£82,146</u>

The Directors consider that the Company is entitled to exemption from the requirements to have an audit under the provisions of Section 249A(1) of the Companies Act 1985. Shareholders holding 10% or more of the Company's share capital have not issued a notice requiring an audit. The directors acknowledge their responsibilities for ensuring that the Company keeps accounting records which comply with Section 221 of the Companies Act 1985, and for preparing accounts which give a true and fair view of the state of affairs of the Company as at 24th December 1998 and of its loss for the year then ended in accordance with the requirements of Section 226 of the Company's Act 1985 and which otherwise comply with the requirements of the Act relating to the accounts so far as applicable to the Company.

Approved by the board on 15th March 1999 and signed on its behalf. The directors have relied on special exemptions available to small companies on the grounds that the Company qualifies as a small company by virtue of Section 247 of the Companies Act 1985.

Directors:

G. H. Chandra
C. Manisamy

The notes on pages 4 - 6 form part of these accounts.

120 WIGMORE STREET LIMITED (a company limited by guarantee)

PROFIT AND LOSS ACCOUNT

For the year ended 24th December 1998

	Note	1998		1997	
		£	£	£	£
Turnover	3		78,321		77,711
Cost of Sales			102,843		50,001
Gross (Loss)/Profit			(24,522)		27,710
ADMINISTRATIVE COSTS:					
Accountancy		1,000		1,100	
Management fees		4,641		4,465	
Bank charges		210		-	
Legal & Professional		954		729	
Miscellaneous		264	7,069	18	6,312
OPERATING (LOSS)/PROFIT			(31,591)		21,398
Interest payable			(1,118)		(1,975)
Interest receivable			993		423
(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION			(31,716)		19,846
Tax on profit on ordinary activities	6		-		-
(LOSS)/PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION			(31,716)		19,846
Reserves for future maintenance brought forward			77,146		57,300
RESERVES FOR FUTURE MAINTENANCE CARRIED FORWARD			£45,430		£77,146

None of the Company's activities were acquired or discontinued during the above two financial years.

There were no recognised gains or losses other than the profit or loss for the above two financial years.

The notes on pages 4 - 6 form part of these accounts.

120 WIGMORE STREET LIMITED (a company limited by guarantee)

NOTES TO THE ACCOUNTS

24th December 1998

1 LIMITED LIABILITY

The Company is limited by the guarantee of its members and has no share capital. The members have each undertaken to contribute to the assets of the Company in the event of it being wound up whilst they are members, or within one year after they cease to be members, for the payment of the debts and liabilities contracted before they ceased to be members. Such amount as may be required cannot exceed £1 per member.

2 ACCOUNTING CONVENTION

These accounts have been prepared in accordance with the historical cost convention.

3 ACCOUNTING POLICIES

i) Accounting Standards

The accounts have been prepared in accordance with applicable accounting standards.

ii) Turnover

Turnover represents service charges and ground rents payable by the residents of 120 Wigmore Street towards the maintenance of common property. Turnover was generated as follows:

	1998	1997
	£	£
Service charges	76,301	75,691
Ground Rents	2,020	2,020
	<u>£78,321</u>	<u>£77,711</u>

iii) Long Leasehold Property

Depreciation is provided on the long leasehold property on the straight line basis at 1.25% pa with effect from 25 December 1991.

4 (LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION IS STATED AFTER CHARGING:

Interest on bank loan	1,118	1,975
Depreciation	<u>1,000</u>	<u>1,000</u>
and after crediting interest received	<u>993</u>	<u>423</u>

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<u>NOTES TO THE ACCOUNTS</u>	<u>24th December 1998</u>	<u>1998</u>	<u>1997</u>
		£	£
5 STAFF COSTS			
Wages and salaries		11,054	10,627
Social security contributions		813	782
		<u>£11,868</u>	<u>£11,409</u>

The average number of employees during the period that the Company was in operation was one. This employee supplied the caretaking services to the property

6 TAX ON PROFIT ON ORDINARY ACTIVITIES

The Company is classified as non-trading for tax purposes.

7 FIXED ASSETS - TANGIBLE ASSETS

Long Leasehold property held for investment purposes:

<u>Cost</u>	£
At 24 December 1997 & 1998	<u>£80,000</u>
<u>Depreciation</u>	
Balance brought forward 25 December 1997	6,000
Charge for the year	1,000
Balance carried forward 24 December 1998	<u>£7,000</u>
<u>Net Book Value</u>	
At 24 December 1998	<u>£73,000</u>
At 24 December 1997	<u>£74,000</u>

The property is held in the name of the Company under an arrangement with an independant third party who made a contribution of £55,000 towards the acquisition; the cost stated above is net of this contribution. In consideration of this contribution the joint investor will be entitled to an agreed proportion of any profit arising in the event of a future disposal.

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<u>NOTES TO THE ACCOUNTS</u>	<u>24th December 1998</u>	<u>1998</u>	<u>1997</u>
		£	£
8 DEBTORS: Amounts falling due within one year Prepayments and accrued income		<u>£8,989</u>	<u>£3,121</u>
9 CREDITORS: Amounts falling due within one year Other taxes and social security costs Accruals and deferred income		362 <u>21,901</u>	352 <u>3,905</u>
		<u>£22,263</u>	<u>£4,257</u>
10 CREDITORS: Amounts falling due after more than one year			
Bank Loan		<u>£26,628</u>	<u>£15,564</u>

The loan which is secured by a legal charge on a long leasehold property is due for repayment within 5 years.

A second charge is held on long leasehold property in connection with the joint investment transaction outlined in note 7.