

"Registrar"

COMPANY REGISTRATION NUMBER 2964608

PATTERN HOUSE MANAGEMENT LIMITED
FINANCIAL STATEMENTS
FOR
31ST DECEMBER 2003



STEELE ROBERTSON GODDARD
Chartered Accountants & Registered Auditors
2 St John's Place
St John's Square
London
EC1M 4NP

PATTERN HOUSE MANAGEMENT LIMITED

MEMBERS OF THE BOARD AND PROFESSIONAL ADVISERS

The board of directors

D J Durman
Ms H M Whittaker
S L Black
I H E Crinson
J K Y Li

Company secretary

D J Durman

Registered office

c/o Steele Robertson Goddard
2 St John's Place
St John's Square
London
EC1M 4NP

Auditors

Steele Robertson Goddard
Chartered Accountants
& Registered Auditors
2 St John's Place
St John's Square
London
EC1M 4NP

PATTERN HOUSE MANAGEMENT LIMITED

THE DIRECTORS' REPORT

YEAR ENDED 31ST DECEMBER 2003

The directors have pleasure in presenting their report and the financial statements of the company for the year ended 31st December 2003.

PRINCIPAL ACTIVITIES

The principal activity of the company during the year was the management of the residential property at Pattern House, 223/227 St John Street, London EC1V 4LY.

DIRECTORS

The directors throughout the year were as shown on the previous page. Each director held one share in the company throughout their period of office with the exception of Ms H M Whittaker who held two shares.

The directors had no beneficial interest in any significant contract with the company.

The directors are not subject to retirement by rotation.

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 at the end of the year and of the surplus or deficiency for the year then ended.

In preparing those financial statements, the directors are required to select suitable accounting policies, as described on page 8, and then apply them on a consistent basis, making judgements and estimates that are prudent and reasonable. The directors must also 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. The directors 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.

AUDITORS

Arthur Goddard & Co merged their practice with Steele Robertson & Co with effect from 1st July 2004 since when they have practised under the name of Steele Robertson Goddard. A resolution to appoint Steele Robertson Goddard as auditors will be proposed at the annual general meeting in accordance with section 385 of the Companies Act 1985.

PATTERN HOUSE MANAGEMENT LIMITED

THE DIRECTORS' REPORT *(continued)*

YEAR ENDED 31ST DECEMBER 2003

SMALL COMPANY PROVISIONS

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

Registered office:
c/o Steele Robertson Goddard
2 St John's Place
St John's Square
London
EC1M 4NP

Signed by order of the directors

A handwritten signature in dark ink, appearing to read 'David Durman', with a long horizontal stroke extending from the end of the signature.

D J DURMAN
Company Secretary

Approved by the directors on 25th October 2004

PATTERN HOUSE MANAGEMENT LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF PATTERN HOUSE MANAGEMENT LIMITED

YEAR ENDED 31ST DECEMBER 2003

We have audited the financial statements on pages 6 to 10 which have been prepared under the historical cost convention and the accounting policies set out on page 8.

This report is made solely to the company's shareholders, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's shareholders those matters we are required to state to them in an auditors' 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 shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As described in the Statement of Directors' Responsibilities the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' Report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

BASIS OF AUDIT OPINION

We conducted our audit in accordance with United Kingdom 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 made 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.

PATTERN HOUSE MANAGEMENT LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF PATTERN HOUSE MANAGEMENT LIMITED *(continued)*

YEAR ENDED 31ST DECEMBER 2003

OPINION

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31st December 2003 and of the results of the company for the year then ended, and have been properly prepared in accordance with the Companies Act 1985.

Steele Robertson Goddard

2 St John's Place
St John's Square
London
EC1M 4NP

STEELE ROBERTSON GODDARD
Chartered Accountants
& Registered Auditors

RS October 2004

PATTERN HOUSE MANAGEMENT LIMITED

INCOME AND EXPENDITURE ACCOUNT

YEAR ENDED 31ST DECEMBER 2003

	Note	2003 £	2002 £
SERVICE CHARGES RECEIVABLE		40,000	35,000
Cost of maintenance and services		<u>36,137</u>	<u>29,012</u>
GROSS SURPLUS		3,863	5,988
Administrative expenses		780	812
Other operating income		<u>(454)</u>	<u>(454)</u>
OPERATING SURPLUS	2	3,537	5,630
Interest receivable		<u>30</u>	<u>30</u>
SURPLUS ON ORDINARY ACTIVITIES BEFORE TAXATION		3,567	5,660
Tax on surplus on ordinary activities		<u>-</u>	<u>12</u>
SURPLUS ON ORDINARY ACTIVITIES AFTER TAXATION		3,567	5,648
Transfer to maintenance reserve		<u>(9,683)</u>	<u>(5,988)</u>
Transfer to reserve - company deficit		296	340
Transfer from reserve - major works		<u>5,820</u>	<u>-</u>
Balance carried forward		<u>-</u>	<u>-</u>

The company has no recognised gains or losses other than the results for the year as set out above.

All of the activities of the company are classed as continuing.

The notes on pages 8 to 10 form part of these financial statements.

PATTERN HOUSE MANAGEMENT LIMITED

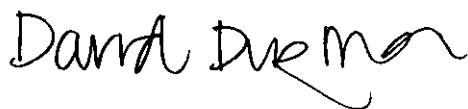
BALANCE SHEET

31ST DECEMBER 2003


	Note	2003 £	£	2002 £	£
CURRENT ASSETS					
Debtors	3	24,247		19,466	
CREDITORS: Amounts falling due within one year	4	<u>7,475</u>		<u>6,262</u>	
NET CURRENT ASSETS			<u>16,772</u>		13,204
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>16,772</u>		<u>13,204</u>
CAPITAL AND RESERVES					
Called-up equity share capital	6		19		19
Maintenance reserve	7		<u>16,753</u>		<u>13,185</u>
SHAREHOLDERS' FUNDS	8		<u>16,772</u>		<u>13,204</u>

These financial statements have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

These financial statements were approved by the directors on the 25th October 2004 and are signed on their behalf by:



D J DURMAN



S L BLACK

The notes on pages 8 to 10 form part of these financial statements.

PATTERN HOUSE MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST DECEMBER 2003

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention.

Cash flow statement

The directors have taken advantage of the exemption in Financial Reporting Standard No 1 (Revised 1996) from including a cash flow statement in the financial statements on the grounds that the company is small.

Turnover

Turnover represents service charges receivable from the residential lessees.

2. OPERATING SURPLUS

Operating surplus is stated after charging:

	2003	2002
	£	£
Auditors' remuneration	<u>1,140</u>	<u>1,081</u>

3. DEBTORS

	2003	2002
	£	£
Service charges in arrears	137	122
Tax repayable	4	—
Client current account	17,808	14,633
Client business reserve account	3,661	2,644
Other debtors	500	—
Prepayments and accrued income	<u>2,137</u>	<u>2,067</u>
	<u>24,247</u>	<u>19,466</u>

4. CREDITORS: Amounts falling due within one year

	2003	2002
	£	£
Service charges in advance	362	324
Other creditors including taxation:		
Corporation tax	—	6
Deposits held	4,200	3,200
Accruals and deferred income	<u>2,913</u>	<u>2,732</u>
	<u>7,475</u>	<u>6,262</u>

PATTERN HOUSE MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST DECEMBER 2003

5. RELATED PARTY TRANSACTIONS

Included in these accounts are the following amounts demanded for the year in respect of lessees who were directors at any time during the year :-

Service charges £ 13,896

6. SHARE CAPITAL

Authorised share capital:

	2003	2002
	£	£
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>

Allotted, called up and fully paid:

	2003		2002	
	No	£	No	£
Ordinary shares of £1 each	<u>19</u>	<u>19</u>	<u>19</u>	<u>19</u>

7. MAINTENANCE RESERVE

	2003	2002
	£	£
Balance brought forward	13,185	7,537
Transfer from the Income and Expenditure Account	9,683	5,988
Transfer to the Income and Expenditure Account		
Company deficit	(296)	(340)
Transfer to I & E account – major works	<u>(5,819)</u>	<u>—</u>
	<u>16,753</u>	<u>13,185</u>

PATTERN HOUSE MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST DECEMBER 2003

8. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2003	2002
	£	£
Surplus for the financial year	3,567	5,648
Opening shareholders' equity funds	13,205	7,556
Closing shareholders' equity funds	<u>16,772</u>	<u>13,204</u>