

COMPANY REGISTRATION NUMBER 3155760

CHARTCOMBE PROPERTIES LIMITED
FINANCIAL STATEMENTS
FOR
30 SEPTEMBER 2005

CARTER & COLEY

Chartered Accountants & Registered Auditors

3 Durrant Road
Bournemouth
Dorset
BH2 6NE



CHARTCOMBE PROPERTIES LIMITED

THE DIRECTORS' REPORT *(continued)*

YEAR ENDED 30 SEPTEMBER 2005

The directors have pleasure in presenting their report and the financial statements of the company for the year ended 30 September 2005.

PRINCIPAL ACTIVITIES

The principal activity of the company during the year was the management of the residential property on behalf of the lessees.

DIVIDENDS

Due to the nature of the company's activities, no dividends are payable by the company.

MARKET VALUE OF MANAGED PROPERTY

No professional valuation has been made of the freehold interest and the directors consider it would be misleading to venture an opinion as to the market value at the balance sheet date.

THE DIRECTORS AND THEIR INTERESTS IN THE SHARES OF THE COMPANY

The directors who served the company during the year together with the beneficial interests in the shares of the company, of those serving at the end of the year, were as follows:

		Ordinary Shares of £1 each	
		At	At
		30 September 2005	1 October 2004 or later date of appointment
Mrs P Hunter		1	1
Mr T Hocking		1	1
Mr C C Coats		1	1
Mrs C B Hibberd	(Appointed 11 Jan 2005)	1	1
Miss M Nock	(Retired 11 Jan 2005)		
Mrs P E Simpson	(Retired 11 Jan 2005)		
Mr P C Saunders	(Retired 20 July 2005)		

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.

Signed by order of the directors

C Wetherall

Company Secretary

Approved by the directors on 18th January 2006



CHARTCOMBE PROPERTIES LIMITED
STATEMENT OF DIRECTORS' RESPONSIBILITIES
YEAR ENDED 30 SEPTEMBER 2005

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 surplus or deficiency of the company for that year. In preparing those financial statements, the directors are required to:

select suitable accounting policies, as described on page 8, and then apply them consistently;

make judgements and estimates that are reasonable and prudent; and

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.

CHARTCOMBE PROPERTIES LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF CHARTCOMBE PROPERTIES LIMITED

YEAR ENDED 30 SEPTEMBER 2005

We have audited the financial statements of Chartcombe Properties Limited for the year ended 30 September 2005 on pages 6 to 9 which have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002), 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.

CHARTCOMBE PROPERTIES LIMITED


INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF CHARTCOMBE PROPERTIES LIMITED *(continued)*

YEAR ENDED 30 SEPTEMBER 2005

OPINION

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 30 September 2005 and of the results of the company for the year then ended, and have been properly prepared in accordance with the Companies Act 1985.

3 Durrant Road
Bournemouth
Dorset
BH2 6NE



CARTER & COLEY
Chartered Accountants
& Registered Auditors

18th January 2006

CHARTCOMBE PROPERTIES LIMITED

INCOME AND EXPENDITURE ACCOUNT

YEAR ENDED 30 SEPTEMBER 2005

	Note	2005 £	2004 £
INCOME		147,771	150,535
Property Expenses		151,341	150,889
DEFICIENCY BEFORE TAXATION		(3,570)	(354)
Tax on deficit on ordinary activities		-	-
DEFICIENCY AFTER TAXATION		(3,570)	(354)
Transfer balance from reserve		3,570	354
Balance carried forward		-	-

The notes on pages 8 to 9 form part of these financial statements.

CHARTCOMBE PROPERTIES LIMITED

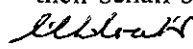
BALANCE SHEET

30 SEPTEMBER 2005

	Note	2005 £	2004 £
FIXED ASSETS			
Tangible assets	2	141,364	141,364
CURRENT ASSETS			
Debtors	3	3,438	13,179
Cash at bank and in hand		130,313	108,559
		<u>133,751</u>	<u>121,738</u>
CREDITORS: Amounts falling due within one year	4	<u>13,435</u>	<u>20,022</u>
NET CURRENT ASSETS		<u>120,316</u>	<u>101,716</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>261,680</u>	<u>243,080</u>
CAPITAL AND RESERVES			
Called-up equity share capital	6	77	77
Other reserves	7	261,603	243,003
SHAREHOLDERS' FUNDS		<u>261,680</u>	<u>243,080</u>

These financial statements have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985 and with the Financial Reporting Standard for Smaller Entities (effective June 2002).

These financial statements were approved by the directors on the 18th January 2006 and are signed on their behalf by:


C Coats

The notes on pages 8 to 9 form part of these financial statements.

CHARTCOMBE PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2005

1. ACCOUNTING POLICIES

Basis of accounting

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

Fixed assets

All fixed assets are initially recorded at cost.

2. TANGIBLE FIXED ASSETS

	Freehold Property £
COST	
At 1 October 2004 and 30 September 2005	<u>141,364</u>
NET BOOK VALUE	
At 30 September 2005	<u>141,364</u>
At 30 September 2004	<u>141,364</u>

3. DEBTORS

	2005 £	2004 £
Sundry debtors and prepayments	<u>3,438</u>	<u>13,179</u>
	<u>3,438</u>	<u>13,179</u>

4. CREDITORS: Amounts falling due within one year

	2005 £	2004 £
Maintenance charges in advance	<u>4,099</u>	<u>6,907</u>
Sundry creditors	<u>9,336</u>	<u>13,115</u>
	<u>13,435</u>	<u>20,022</u>

5. RELATED PARTY TRANSACTIONS

The company was under the control of the members, who are also lessees.

The members contribute to the expenses of the company by the payment of maintenance charges. There were no other transactions with related parties such as are required to be disclosed under Financial Reporting Standard 8.

CHARTCOMBE PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2005

6. SHARE CAPITAL

Authorised share capital:

	2005	2004
	£	£
77 Ordinary shares of £1 each	<u>77</u>	<u>77</u>

Allotted, called up and fully paid:

	2005		2004	
	No	£	No	£
Ordinary shares of £1 each	<u>77</u>	<u>77</u>	<u>77</u>	<u>77</u>

7. OTHER RESERVES

	2005	2004
	£	£
Permanent loans by shareholders:		
Balance brought forward	<u>141,550</u>	<u>141,550</u>

There was no movement on the reserve during the financial year.

	2005	2004
	£	£
General reserve:		
Balance brought forward	101,453	89,199
Transfer reserve fund contributions per budget	20,000	17,500
Interest net	2,170	1,941
Expenditure paid by transfer from reserve	-	(6,834)
Transfer of balance to (from) reserve	<u>(3,570)</u>	<u>(353)</u>
	<u>120,053</u>	<u>101,453</u>

CHARTCOMBE PROPERTIES LIMITED

STATEMENT OF ESTATE MANAGEMENT AND MAINTENANCE COSTS

30 SEPTEMBER 2005

	2005		2004	
	£	£	£	£
PROPERTY EXPENSES				
Staff salaries	44,268		42,262	
Flat expenses	1,453		1,516	
Water rates	13,945		12,935	
Telephone	757		755	
Electricity	9,077		8,533	
Insurance	12,326		11,604	
Window cleaning	4,064		3,609	
Lift maintenance	3,773		4,646	
Gardening	6,272		5,749	
Atrium plant displays	2,829		2,829	
Repairs and maintenance	9,769		12,050	
Security entrances, fire alarm and ward call system	6,431		6,659	
Redecoration	—		6,834	
Cleaning materials etc.	682		545	
Sundry expenses	1,371		1,974	
Bank charges	213		215	
Management charges payable	7,600		8,505	
Legal and professional fees	5,395		829	
Accountancy fees	1,116		1,340	
Transfer to reserve	20,000		17,500	
		151,341		150,889
Net Costs due for the year		151,341		150,889
INCOME				
Maintenance charges	145,065		142,101	
Transfer from reserve	—		6,834	
Guest suite - net income	1,174		967	
Refund of over-charged management fees	1,267		—	
Share of assignment fees	265		633	
		147,771		150,535
SURPLUS FOR THE YEAR		(3,570)		(354)

CHARTCOMBE PROPERTIES LIMITED

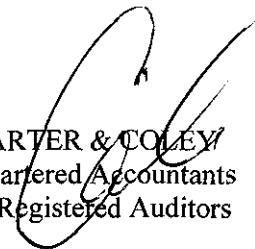
STATEMENT OF ESTATE MANAGEMENT AND MAINTENANCE COSTS

30 SEPTEMBER 2005

AUDITORS' REPORT

We certify that in accordance with Section 21(5) and (6) of the Landlord and Tenants Act 1985, in our opinion the foregoing is a fair summary of the costs expended and outgoings disbursed, incurred or provided for by the lessor for the year ended 30 September 2005 being sufficiently supported by accounts, receipts and other documents which have been produced to us.

3 Durrant Road
Bournemouth
Dorset
BH2 6NE



CARTER & COLEY
Chartered Accountants
& Registered Auditors

18th January 2006

CHARTCOMBE PROPERTIES LIMITED

SCHEDULE TO THE ACCOUNTS

YEAR ENDED 30 SEPTEMBER 2005

	2005		2004	
	£	£	£	£
Guest suite				
Income		2,119		1,803
Laundry and cleaning	252		35	
General maintenance	366		480	
Television licence	127		121	
Electricity	200		200	
		945		836
		1,174		967
Gardening				
Irrigation system		1,230		—
Hedge cutting		837		—
Annual contract and plants		4,205		5,014
Redesign area by Block A		—		735
		6,272		5,749
Sundry debtors and prepayments				
Compton Acres tickets		517		169
Security system		1,686		2,007
Lift maintenance		308		380
Insurance		—		10,623
Council tax		727		—
Assignment fees		200		—
		3,438		13,179
Sundry creditors				
Accountancy fees		1,116		823
Gardening		264		249
Window cleaning		340		324
Electricity		800		800
Professional fees re EGM		889		—
Water		2,700		2,700
Carried forward		6,109		4,896

CHARTCOMBE PROPERTIES LIMITED

SCHEDULE TO THE ACCOUNTS

YEAR ENDED 30 SEPTEMBER 2005

	2005		2004	
	£	£	£	£
Brought forward		6,109		4,896
Security		486		486
Paye / NIC		756		646
Telephone		222		225
Repairs		112		—
Entryphone / gates		760		—
Taxation		891		505
Redecoration		—		6,357
		<u>9,336</u>		<u>13,115</u>
Expenditure paid by transfer from reserve				
Redecoration		—		<u>6,834</u>