

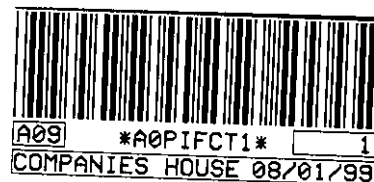
Register

CHESSINGTON HALL ESTATE LIMITED

COMPANY NUMBER 277594

REPORT AND ACCOUNTS

31ST JULY 1998



CHESSINGTON HALL ESTATE LIMITED

REPORT AND ACCOUNTS 1998

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CHESSINGTON HALL ESTATE LIMITED

OFFICERS AND PROFESSIONAL ADVISERS

Directors

J.H. Oakley (Chairman)
P.H.A. Pearson
J.K. Babbs
P.J. Grant

Secretary

P.J. Grant

Registered office

9 Bridle Close
Surbiton Road
Kingston upon Thames
Surrey KT1 2JW

Auditors

Messrs. Moores Rowland
Applemarket House
17 Union Street
Kingston upon Thames
Surrey KT1 1RP

Solicitors

Messrs. Sherwood Wheatley
Bridge House
Winters Bridge
Thames Ditton
Surrey KT7 0SZ

Bankers

National Westminster Bank Plc
5 Market Place
Kingston upon Thames
Surrey KT1 1JX

CHESSINGTON HALL ESTATE LIMITED

REPORT OF THE DIRECTORS

The directors present their annual report and the audited accounts for the year ended 31st July 1998.

ACTIVITIES

The company's principal activity is property dealing and management.

REVIEW OF BUSINESS DEVELOPMENTS

The profit for the year, after taxation was £119,445 (1997 £113,186). Based on these figures, the directors recommend a final dividend of 21p per ordinary share, which together with the interim dividends paid of 20p per ordinary share, gives a total dividend for the year of 41p (1997 - 39p) per ordinary share, and that the balance of £66,145 (1997 £62,486) be added to reserves.

DIRECTORS AND THEIR INTERESTS

The present membership of the Board is set out on page 1.

The Directors' interests in the share capital of the company were as follows:

	1998 Ord.	1997 Ord.
J.H.Oakley (Chairman)	8,100	8,100
J.H.Oakley (as Trustee)	20,000	20,000
P.H.A.Pearson	4,550	4,550
J.K.Babbs	24,380	24,380
P.J.Grant	4,700	4,700

P.H.A.Pearson and P.J.Grant retire by rotation and, being eligible, offer themselves for re-election. A resolution to re-appoint them will be proposed at the Annual General Meeting.

YEAR 2000

The directors have considered the problem generally referred to as the 'Year 2000 problem' or the 'Millennium Bug' and are satisfied that the company's systems are Year 2000 compliant. The potential effect of the problem with regard to tenants, suppliers and other relevant parties is not expected to be material and the directors are in the process of addressing these issues to minimise the risk of any adverse effect on the operation of the business. Future costs of minimising the risk of any adverse effect have not been quantified but these are not expected to be material.

AUDITORS

A resolution to re-appoint Messrs. Moores Rowland as auditors will be proposed at the forthcoming Annual General Meeting.

By order of the Board


P.J.Grant
Secretary

Dated: 1st October 1998

CHESSINGTON HALL ESTATE LIMITED

STATEMENT OF 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;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare 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 appropriate 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.

REPORT OF THE AUDITORS

To the members of Chessington Hall Estate Limited

We have audited the financial statements on pages 4 to 9 which have been prepared under the historical cost convention.

Respective responsibilities of directors and auditors

As described on this page the company's directors are responsible for the preparation of the financial statements. It is our responsibility to form an independent opinion, based on our audit, on those financial statements and report our opinion to you.

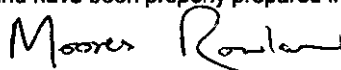
Basis of opinion

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 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.

Opinion

In our opinion the financial statements give a true and fair view of the state of affairs of the Company as at 31st July 1998 and of the Company's profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



MOORES ROWLAND
Chartered Accountants
Registered Auditor

Kingston upon Thames
Date: 1st October 1998

CHESSINGTON HALL ESTATE LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31ST JULY 1998

	Note	1998 £	1997 £
TURNOVER	2	253,823	251,492
Cost of sales		<u>63,978</u>	<u>64,642</u>
GROSS PROFIT		189,845	186,850
Administrative expenses		<u>45,540</u>	<u>43,054</u>
OPERATING PROFIT	3	144,305	143,796
Other interest receivable and similar income	5	<u>6,902</u>	<u>3,193</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		151,207	146,989
Tax on profit on ordinary activities	6	<u>31,762</u>	<u>33,803</u>
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		119,445	113,186
Dividends	7	<u>53,300</u>	<u>50,700</u>
Retained profit for the year - Transferred to Reserves	12	<u>66,145</u>	<u>62,486</u>

All disclosures relate only to continuing operations. There are no recognised gains or losses other than the profit for the year.

CHESSINGTON HALL ESTATE LIMITED


BALANCE SHEET

AS AT 31ST JULY 1998

	Note	1998 £	£	1997 £	£
CURRENT ASSETS					
Stocks	8	395,625		393,980	
Debtors	9	52,351		22,561	
Cash at bank and in hand		<u>152,119</u>		<u>111,044</u>	
		600,095		527,585	
		<u> </u>		<u> </u>	
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	10	<u>81,102</u>		<u>74,737</u>	
NET CURRENT ASSETS			<u>518,993</u>		<u>452,848</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>£ 518,993</u>		<u>£ 452,848</u>
			<u> </u>		<u> </u>
CAPITAL AND RESERVES					
Called up Share Capital	11		130,000		130,000
Reserves	12		388,993		322,848
			<u> </u>		<u> </u>
			<u>£ 518,993</u>		<u>£ 452,848</u>
			<u> </u>		<u> </u>

These accounts were approved by the board of directors on 1st October 1998

Signed on behalf of the Board of Directors


 J.H. Oakley (Chairman)

CHESSINGTON HALL ESTATE LIMITED

NOTES TO THE ACCOUNTS

YEAR ENDED 31ST JULY 1998

1 Accounting policies

(a) Accounting convention

The accounts are prepared under the historical cost convention and are in accordance with applicable UK Accounting Standards.

(b) Freehold properties

Freehold properties are regarded as sold on the date of completion of the contract of sale. Freehold properties are shown in the balance sheet as current assets at the lower of cost and net realisable value.

(c) Government Grants

Government grants of a revenue nature are recognised in the profit & loss account in the period in which the expenditure was incurred.

2 Turnover

Turnover comprises rental income, and property sales when applicable.

	1998 £	1997 £
Property Sales	66,995	65,000
Rental Income	<u>186,828</u>	<u>186,492</u>
	<u>253,823</u>	<u>251,492</u>

3 Operating profit

Profit on ordinary activities before taxation is arrived at after charging:

	1998 £	1997 £
Directors' remuneration (note 4)	21,277	20,268
Auditors' remuneration	3,272	3,114
Repairs and renewals	<u>24,664</u>	<u>16,939</u>

4 Directors and employees

The only employees of the company during the year were the four directors who received fees as set out in note 3. In addition, Mr. P.H.A. Pearson and Mr P.J. Grant are partners in a professional firm which receives fees in respect of management services rendered of £18,712 (1997: £17,778).

CHESSINGTON HALL ESTATE LIMITED

NOTES TO THE ACCOUNTS (continued)

YEAR ENDED 31ST JULY 1998

5 Interest receivable and similar income

	1998 £	1997 £
Bank interest receivable	6,596	3,193
Lending fees receivable	<u>306</u>	<u>0</u>
	<u>6,902</u>	<u>3,193</u>

6 Tax on profit on ordinary activities

	1998 £	1997 £
United Kingdom corporation tax at 21% (1997: 23%) on the profits for the year	31,661	33,803
Under/(Over) provision in previous year	<u>101</u>	<u>0</u>
	<u>31,762</u>	<u>33,803</u>

7 Dividends

	1998		1997	
	Pence Per share	£	Pence Per share	£
Ordinary:				
Interim paid	9	11,700	8	10,400
Second interim	11	14,300	11	14,300
Proposed final	<u>21</u>	<u>27,300</u>	<u>20</u>	<u>26,000</u>
	<u>41</u>	<u>53,300</u>	<u>39</u>	<u>50,700</u>

CHESSINGTON HALL ESTATE LIMITED

NOTES TO THE ACCOUNTS (continued)

YEAR ENDED 31ST JULY 1998

8 Stocks

	1998 £	1997 £
Properties for resale at lower of cost and net realisable value	395,625	393,980
	<hr/>	<hr/>

9 Debtors

	1998 £	1997 £
Debtors and prepayments	45,526	16,061
Advance corporation tax - recoverable beyond one year	6,825	6,500
	<hr/>	<hr/>
	52,351	22,561
	<hr/>	<hr/>

10 Creditors: Amounts falling due within one year

	1998 £	1997 £
Rents in advance	8,949	7,855
Taxation	29,061	31,853
Dividend payable	27,300	26,000
Accruals	15,792	9,029
	<hr/>	<hr/>
	81,102	74,737
	<hr/>	<hr/>

CHESSINGTON HALL ESTATE LIMITED

NOTES TO THE ACCOUNTS (continued)

YEAR ENDED 31ST JULY 1998

11 Called up share capital

	1998 £	1997 £
<i>Authorised</i> Ordinary shares of £1 each	500,000	500,000
<i>Issued</i> Ordinary shares of £1 each	130,000	130,000

12 Reserves

	Profit/Loss Account
Balance at 1/8/97	322,848
Profit for the year	66,145
Balance at 31/7/98	388,993

13 Reconciliation of Movements in Shareholders' Funds

	1998	1997
Profit for the Financial Year	119,445	113,186
Dividends	53,300	50,700
Net Addition to Shareholders' Funds	66,145	62,486
Opening Equity Shareholders' Funds	452,848	390,362
Closing Equity Shareholders' Funds	518,993	452,848