

PARK PLACE MANAGEMENT LIMITED

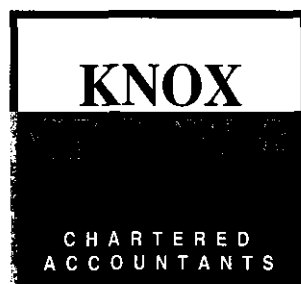
(COMPANY NUMBER: 00956958)

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH JUNE 1999

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PARK PLACE MANAGEMENT LIMITED

REPORT OF THE DIRECTORS

The directors submit their report and audited financial statements for the year ended 30th June 1999.

REVIEW OF THE BUSINESS

The company's principal activity during the year was the management of the property known as 19/20 Hyde Park Place, London W2 2LP. The directors do not foresee any changes in this activity.

RESULTS

The surplus for the year, after taxation, amounted to £11,194 (1998: 10,039). £10,000 has been transferred to the Dilapidations Reserve to ensure that funds are available for future major works. In fact, since the year end £6,137 was paid for replacements to the copper cylinders in the boiler house.

DIRECTORS

- i) **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.

- ii) **Interests**
The directors during the year and their beneficial interests in the share capital of the company were as follows:

**Ordinary shares of £1 each
At 1st July 1998 and 30th June 1999**

A C Davis	1
Miss Corrinne Lewis	1
P Waite	1
J D Middleton	1

Mr A C Davis is a majority shareholder in PFD Garages Limited, which held 1 ordinary share in Park Place Management Limited at 30th June 1999.

PARK PLACE MANAGEMENT LIMITED

REPORT OF THE DIRECTORS

(Continued)

TAX STATUS

The company receives income from its members only. Consequently, a state of mutuality exists which results in this income being exempt from Corporation tax.

AUDITORS

A resolution to re-appoint Messrs Knox Cropper as auditors will be put to the members at the Annual General Meeting, in accordance with section 384 of the Companies Act 1985.

BY ORDER OF THE BOARD



**A C DAVIS
SECRETARY**

REPORT OF THE AUDITORS
TO THE MEMBERS OF
PARK PLACE MANAGEMENT LIMITED

We have audited the financial statements on pages 4 to 8 which have been prepared under the historical cost convention and the accounting policies set out on page 6.

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 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 the company's affairs at 30th June 1999 and of its surplus for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

24 Petworth Road
Haslemere, Surrey

13th January 2000

Knox Cropper

Chartered Accountants
and Registered Auditors

PARK PLACE MANAGEMENT LIMITED
INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 30TH JUNE 1999

		1999		1998	
	<u>Notes</u>	£	£	£	£
TURNOVER	2		52,148		52,626
Operating costs		36,294		38,027	
Administrative costs		5,155		4,995	
		<hr/>	41,449	<hr/>	43,022
OPERATING SURPLUS	3		10,699		9,604
Interest receivable			736		551
			<hr/>		<hr/>
SURPLUS ON ORDINARY ACTIVITIES			11,435		10,155
TAXATION	5		241		116
			<hr/>		<hr/>
SURPLUS AFTER TAXATION			11,194		10,039
Transfer to Dilapidations Reserve			(10,000)		(10,000)
			<hr/>		<hr/>
SURPLUS FOR THE YEAR	9		£ 1,194		£ 39
			<hr/>		<hr/>

All recognised gains and losses are included in the Income and Expenditure Account and no separate Statement of Total Recognised Gains and Losses has therefore been prepared.

PARK PLACE MANAGEMENT LIMITEDBALANCE SHEET AT 30TH JUNE 1999

		1999	1998
	<u>Notes</u>	£	£
EMPLOYMENT OF CAPITAL			
CURRENT ASSETS			
Debtors	6	2,992	1,021
Bank and cash balances		32,641	23,720
		<hr/>	<hr/>
		35,633	24,741
CREDITORS:			
Amounts falling due within one year	7	5,657	5,959
		<hr/>	<hr/>
TOTAL ASSETS LESS CURRENT LIABILITIES		£ 29,976	£ 18,782
		<hr/>	<hr/>
CAPITAL AND RESERVES			
Called up share capital	8	23	23
Reserves	9	29,953	18,759
		<hr/>	<hr/>
SHAREHOLDERS' FUNDS	11	£ 29,976	£ 18,782
		<hr/>	<hr/>

The financial statements were approved by the board on24.11.99.....

.....
 A.C. DAVIS)
)
) DIRECTORS
)

 C. LEWIS)

PARK PLACE MANAGEMENT LIMITED**NOTES FORMING PART OF THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED 30TH JUNE 1999****1. ACCOUNTING POLICIES**

The more important accounting policies adopted by the company, which are consistent with those of the previous year are as follows:

- (a) The financial statements of the company have been prepared on the historical cost basis and include the results of the company's operations which are described in the Directors' Report and all of which are continuing.
- (b) the company has taken advantage of the exemption in Financial Reporting Standard No.1 from the requirement to produce a cash flow statement on the grounds that it is a small company.
- (c) Expenses are stated in the accounts inclusive of VAT.
- (d) Service charges are collected as necessary to pay for expenditure as budgeted and agreed by the members. Any deficit will be covered in due course by additional service charges being levied.

2. TURNOVER

Turnover represents the invoiced amounts of charges for services provided during the year to the tenants of flats in 19/20 Hyde Park Place, London W2 2LP.

	1999	1998
	£	£
3. OPERATING SURPLUS		
This is stated after charging:		
Auditors' remuneration	£ 1,410	£ 1,351
	<hr/>	<hr/>
4. STAFF COSTS		
Wages	15,923	15,354
Social Security costs	1,552	1,450
	<hr/>	<hr/>
	£ 17,475	£ 16,804
	<hr/>	<hr/>
	Number	Number
The average monthly number of employees during the year excluding directors was	1	1
	<hr/>	<hr/>

No director received any emoluments during the year.

PARK PLACE MANAGEMENT LIMITED**NOTES FORMING PART OF THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED 30TH JUNE 1999**

(Continued)

	1999		1998	
	£		£	
5. TAXATION				
Corporation tax at 21 % (1998 : 21 %)		196		116
Underprovision prior year		45		-
		<hr/>		<hr/>
		£ 241		£ 116
		<hr/>		<hr/>
6. DEBTORS				
Service charges		2,597		777
Prepayments		395		244
		<hr/>		<hr/>
		£ 2,992		£ 1,021
		<hr/>		<hr/>
7. CREDITORS:				
AMOUNTS FALLING DUE WITHIN ONE YEAR				
Corporation tax		196		116
Other taxes and Social Security costs		1,693		1,409
Other creditors		2,000		2,735
Accruals		1,768		1,699
		<hr/>		<hr/>
		£ 5,657		£ 5,959
		<hr/>		<hr/>
8. SHARE CAPITAL				
	Authorised		Allotted, called up and fully paid	
	1999	1998	1999	1998
	£	£	£	£
Ordinary shares of £1 each	£ 100	£ 100	£ 23	£ 23
	<hr/>	<hr/>	<hr/>	<hr/>
9. RESERVES				
	Income and Expenditure Account	Dilapidations Reserve	Total	
	£	£	£	
Balance brought forward	8,759	10,000	18,759	
Surplus for the year	1,194	-	1,194	
Transfer to Dilapidations Reserve	-	10,000	10,000	
	<hr/>	<hr/>	<hr/>	
Balance carried forward	£ 9,953	£ 20,000	£ 29,953	
	<hr/>	<hr/>	<hr/>	

PARK PLACE MANAGEMENT LIMITED**NOTES FORMING PART OF THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED 30TH JUNE 1999****(Continued)****10. RELATED PARTY TRANSACTIONS**

Mr A C Davis has a controlling interest in a company to which a sum of £2,000 was provided for management carried out during the year.

At 30th June 1999 £2,000 was owed to that company and that figure is shown in other creditors in note 7.

As described in the Report of the Directors on page 1, Mr Davis is a majority shareholder in a company which holds one ordinary share in Park Place Management Limited. That company, PFD Garages Limited, leases one of the flats at 19/20 Hyde Park Place and it pays service charges calculated in the same way as the other lessees.

Mr Davis also owns one ordinary share in his own name and again pays service charges calculated in the same way as the other lessees.

11. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	1999	1998
	£	£
Surplus for the year	1,194	39
Share capital issued	-	1
Increase in Dilapidations Reserve	10,000	10,000
	<hr/>	<hr/>
Net addition to Shareholders' Funds	11,194	10,040
Opening Shareholders' Funds	18,782	8,742
	<hr/>	<hr/>
Closing Shareholders' Funds	£ 29,976	£ 18,782
	<hr/>	<hr/>