

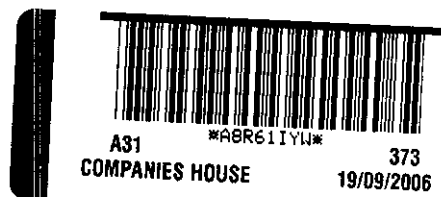
Company registration no. 2064343 (England and Wales)

16 GWENDWR ROAD (MANAGEMENT) COMPANY LIMITED

(COMPANY LIMITED by GUARANTEE and not having a SHARE CAPITAL)

ACCOUNTS

YEAR ENDED 31 MARCH 2006



ALLIOTTS
Chartered Accountants

16 GWENDWR ROAD (MANAGEMENT) COMPANY LIMITED

(COMPANY LIMITED by GUARANTEE and not having a SHARE CAPITAL)

REPORT OF THE DIRECTORS YEAR ENDED 31 MARCH 2006

Directors: V Corrado
Miss E S Li Wan Po
Mrs A G Patrickson
J J Turner
Miss A J Willis

The directors submit their report and accounts for the year ended 31 March 2006.

Activities of the company

The activities of the company are the ownership and management of the property, 16 Gwendwr Road, London W14.

Review of operations

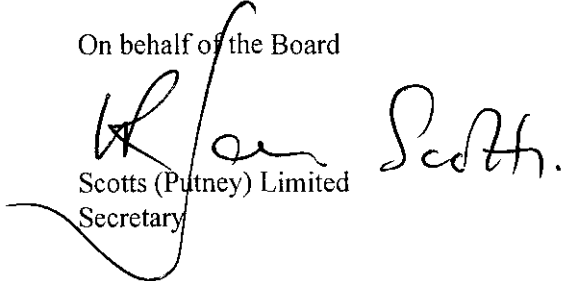
The income and expenditure for the year are set out in the Income and Expenditure account on page 4. The surplus for the year of £1,323.06 was transferred to the Reserve Fund, Part I. There were no significant developments in the company's activities during the year and none are anticipated in the future. The directors consider the year end position is satisfactory.

Directors and their interests

The directors who have held office since 1 April 2005 or have been subsequently appointed are shown at the top of this page.

In accordance with the Articles of Association all the Directors retire and, being eligible, offer themselves for re-election. The company is limited by guarantee and does not have a share capital.

On behalf of the Board


Scotts (Putney) Limited
Secretary

16 August 2006

Registered number:
England 2064343

Registered office:
Bentley House
4a Disraeli Road
Putney
London
SW15 2DS

16 GWENDWR ROAD (MANAGEMENT) COMPANY LIMITED

(COMPANY LIMITED by GUARANTEE and not having a SHARE CAPITAL)

**ACCOUNTANTS' REPORT TO THE DIRECTORS ON THE
UNAUDITED ACCOUNTS OF 16 GWENDWR ROAD (MANAGEMENT) COMPANY LIMITED**

In accordance with our terms of engagement and in order to assist you to fulfil your duties under the Companies Act 1985, we have compiled the financial statements of the company, which are set out on pages 4 to 10, from the accounting records and information and explanations you have given to us.

This report is made to the Company's Board of Directors, as a body, in accordance with the terms of our engagement. Our work has been undertaken so that we might compile the financial statements that we have been engaged to compile, report to the Company's Board of Directors that we have done so and state those matters that we have agreed to state to them in this 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 Board of Directors, as a body, for our work or for this report.

We have carried out this engagement in accordance with technical guidance issued by the Institute of Chartered Accountants in England and Wales and have complied with the ethical guidance laid down by the Institute relating to members undertaking the compilation of financial statements.

You have acknowledged on the balance sheet as at 31 March 2006 your duty to ensure that the company has kept proper accounting records and to prepare financial statements that give a true and fair view under the Companies Act 1985. You consider that the company is exempt from the statutory requirement for an audit for the year.

We have not been instructed to carry out an audit of the financial statements. For this reason we have not verified the accuracy or completeness of the accounting records or information and explanations you have given us and we do not, therefore, express any opinion on the financial statements.



Alliotts
Chartered Accountants

21 August 2006

Friary Court
13 - 21 High Street
Guildford
Surrey
GU1 3DL

**AUDITORS' REPORT ON THE ACCOUNTS STATEMENT TO LEASEHOLDERS AND
MEMBERS OF 16 GWENDWR ROAD (MANAGEMENT) COMPANY LIMITED**

Report of the auditors to the leaseholders of 16 Gwendwr Road, London W14

We have examined the accounts statement set out on page 4.

Respective responsibilities of the directors and auditors

Under the Landlord and Tenant Act 1985 the directors are responsible for the preparation of an accounts statement in respect of the costs relating to 16 Gwendwr Road, London W14.

It is our responsibility to form an independent opinion, based on our examination, on the accounts statement 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. We planned and performed our examination 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 accounts statement is a fair summary of the costs relating to 16 Gwendwr Road, London W14 and is sufficiently supported by accounts, receipts and other documents of 16 Gwendwr Road (Management) Company Limited.

Opinion

In our opinion the accounts statement presents a fair summary of the costs for the year ended 31 March 2006, is sufficiently supported by accounts, receipts and other documents of 16 Gwendwr Road (Management) Company Limited and has been prepared in accordance with s21 (5) of the Landlord and Tenants Act 1985.



Alliotts
Chartered Accountants
Registered Auditors

21 August 2006

Friary Court
13 - 21 High Street
Guildford
Surrey
GU1 3DL

16 GWENDWR ROAD (MANAGEMENT) COMPANY LIMITED

(COMPANY LIMITED by GUARANTEE and not having a SHARE CAPITAL)

INCOME AND EXPENDITURE ACCOUNT

YEAR ENDED 31 MARCH 2006

		2006		2005	
	Notes	£	£	£	£
Turnover and other income					
Contributions in respect of annual expenses for the year ended 31 March 2006	2 (a)		7,450.00		7,450
Interest receivable					
Funds held by Scotts			51.13		59
Business Premium Account			31.68		29
			<hr/>		<hr/>
			7,532.81		7,538
Other operating charges					
Part I					
Repairs		281.41		615	
Insurance		1,028.09		1,017	
Sundry expenses		43.25		28	
Accountancy fees		834.25		792	
Secretarial fee		117.50		117	
Management charges		1,569.22		1,561	
Professional fees		64.62		127	
		<hr/>		<hr/>	
To be borne by all 5 lessees		3,938.34		4,257	
		<hr/>		<hr/>	
Part II					
Cleaning		618.00		623	
Repairs		675.63		-	
Electricity		70.00		82	
Door entryphone		695.55		857	
Management charges		241.95		183	
		<hr/>		<hr/>	
To be borne by lessees of flats 2 to 5		2,301.13		1,745	
		<hr/>	6,239.47	<hr/>	6,002
Surplus on ordinary activities before taxation			1,293.34		1,536
Tax on surplus on ordinary activities	3		29.72		(4)
Surplus for the financial year			1,323.06		1,532
Transfer to reserve funds	7		<hr/>		<hr/>
Part I		1,323.06		1,532	
Part II		-		-	
		<hr/>	1,323.06	<hr/>	1,532
			<hr/>		<hr/>

Note: All recognised gains and losses in the year and in the previous year have been included in the Income and Expenditure Account.

The results for the year and previous year as set out above have been derived entirely from continuing operations.

16 GWENDWR ROAD (MANAGEMENT) COMPANY LIMITED

(COMPANY LIMITED by GUARANTEE and not having a SHARE CAPITAL)

BALANCE SHEET 31 MARCH 2006

	Notes	£	2006	£	£	2005	£
Fixed assets							
Tangible assets							
Freehold property	4			5.00			5
Current assets							
Debtors							
Interim service charges	2 (a)		0.03		660		
Additional service charges	2 (b)		79.78		191		
			<u>79.81</u>		<u>851</u>		
Prepayments							
Door entry system			558.90		-		
Insurance			-		1,028		
			<u>558.90</u>		<u>1,028</u>		
Cash at bank and in hand							
Scotts - maintenance			6,974.11		4,340		
Business Premium Account			3,057.45		3,026		
			<u>10,031.56</u>		<u>7,366</u>		
Total current assets			<u>10,670.27</u>		<u>9,245</u>		
Creditors: amounts falling due within one year							
Trade and other creditors							
Scotts - management fees			1,106.17		1,040		
Income tax			76.29		118		
Scotts - secretarial fees			117.50		352		
			<u>1,299.96</u>		<u>1,510</u>		
Accruals and deferred income							
Interim service charges in advance	2 (a)		453.99		66		
Additional service charges in advance	2 (b)		79.78		191		
Accountancy fees			834.25		793		
Electricity			12.25		18		
Cleaning			51.50		52		
			<u>1,431.77</u>		<u>1,120</u>		
Total creditors			<u>2,731.73</u>		<u>2,630</u>		
Net current assets				7,938.54			6,615
Total assets less current liabilities				<u>7,943.54</u>			<u>6,620</u>

(COMPANY LIMITED by GUARANTEE and not having a SHARE CAPITAL)

(continued)

ado *J. K. Lee*

16 GWENDWR ROAD (MANAGEMENT) COMPANY LIMITED

(COMPANY LIMITED by GUARANTEE and not having a SHARE CAPITAL)

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES

(a) Basis of accounts

The accounts have been prepared under the historical cost convention and in accordance with applicable accounting standards.

(b) Fixed assets and depreciation

Fixed assets are stated at cost.

No depreciation is provided on freehold land and buildings as the directors are of the opinion that the estimated residual value is greater than the original cost.

2. (a) INTERIM SERVICE CHARGES - 2006

Flat	Balance b/fwd £	Interim service charge £	Received from lessees £	Additional contributions due/(in advance) b/fwd (Note 2 (c)) £	2006 Due/(in advance) £
1	660.38	950.00	(1,801.33)	190.95	-
2	(0.01)	1,625.00	(1,577.26)	(47.74)	(0.01)
3	(66.03)	1,625.00	(1,558.97)	(47.74)	(47.74)
4	0.01	1,625.00	(1,983.51)	(47.74)	(406.24)
5	0.03	1,625.00	(1,577.26)	(47.74)	0.03
	594.38	7,450.00	(8,498.33)	(0.01)	(453.96)

The interim service charge has been calculated to take account of the allocation between common parts and the remainder as set out in Schedules 7 and 8 of the leases. The basement flat, which bears none of the expenses relating to the common parts, contributes only 1/5th of joint expenditure.

16 GWENDWR ROAD (MANAGEMENT) COMPANY LIMITED

(COMPANY LIMITED by GUARANTEE and not having a SHARE CAPITAL)

NOTES TO THE ACCOUNTS

(continued)

2. (b) ADDITIONAL SERVICE CHARGES - 2006

		Expenditure - 2006				2006 Due/(in advance) £
Flat		Part I £		Part II £	Total £	Interim £
1	20%	1,029.78		-	1,029.78	950.00
2	20%	1,029.78	25%	575.28	1,605.06	1,625.00
3	20%	1,029.77	25%	575.29	1,605.06	1,625.00
4	20%	1,029.77	25%	575.28	1,605.05	1,625.00
5	20%	1,029.77	25%	575.28	1,605.05	1,625.00
		5,148.87		2,301.13	7,450.00	7,450.00
						-

Part I expenditure for the year comprises expenditure of £3,938.34, tax credit of £29.72, interest receivable of £82.81 and the transfer to Reserve of £1,323.06.

2. (c) ADDITIONAL SERVICE CHARGES - SUMMARY

Flat	2005 Due/(in advance) brought forward £	Offset against 2005/06 interim service charge £
1	190.95	190.95
2	(47.74)	(47.74)
3	(47.74)	(47.74)
4	(47.74)	(47.74)
5	(47.74)	(47.74)
	<hr/>	<hr/>
	(0.01)	(0.01)
	<hr/>	<hr/>

16 GWENDWR ROAD (MANAGEMENT) COMPANY LIMITED

(COMPANY LIMITED by GUARANTEE and not having a SHARE CAPITAL)

NOTES TO THE ACCOUNTS

(continued)

3. TAX ON SURPLUS ON ORDINARY ACTIVITIES

	2006	2005
	£	£
UK income tax at 20% on bank interest for the year (2005 - 20%)	10.23	30
Prior year adjustment	(39.95)	(26)
	<hr/>	<hr/>
	(29.72)	4
	<hr/>	<hr/>

Tax is payable only on interest received. No tax is payable on other revenue as it is received from members of the company.

4. FREEHOLD PROPERTY

The company purchased the freehold property, 16 Gwendwr Road, London W14 on 18 August 1987 for a consideration of £5.00. The company's interest is subject to the leases of the flats comprising the property which are for a term of 125 years from 25 December 1986.

At 31 March 2006, the buildings comprising 16 Gwendwr Road were insured for a sum of £1,279,004.

5. MEMBERS' GUARANTEE

The company is limited by guarantee and does not have a share capital.

Every member of the company undertakes to contribute to the assets of the company in the event of its being wound-up while the person is a member of the company or within one year afterwards for payment of the debts and liabilities of the company contracted before the person ceases to be a member and the costs, charges and expenses of winding-up and for the adjustments of the rights of the contributories among themselves such amount as may be required, not exceeding £1.

6. IRREDEEMABLE LOANS

The irredeemable loans comprise the members' contributions for the purchase of the freehold property.

16 GWENDWR ROAD (MANAGEMENT) COMPANY LIMITED

(COMPANY LIMITED by GUARANTEE and not having a SHARE CAPITAL)

NOTES TO THE ACCOUNTS

(continued)

7. RESERVE FUNDS

	Part I	Part II
	£	£
At 31 March 2005	5,697.41	918.07
Transfer from Income and Expenditure account	1,323.06	-
	<hr/>	<hr/>
At 31 March 2006	7,020.47	918.07
	<hr/>	<hr/>

8. RECONCILIATION OF MOVEMENTS IN MEMBERS' FUNDS

	2006	2005
	£	£
Surplus for the financial year	1,323.06	1,532
Opening members' funds	6,620.48	5,088
	<hr/>	<hr/>
Closing members' funds	7,943.54	6,620
	<hr/>	<hr/>

9. DIRECTORS AND EMPLOYEES

The directors are the only employees of the company and they did not receive any emoluments (2005 - as for 2006).