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**HERITAGE OF LONDON TRUST OPERATIONS
LIMITED BY GUARANTEE**

REGISTERED NUMBER 2774232

CHARITY NUMBER 1017579

ANNUAL REPORT

YEAR ENDED 31 MARCH 2007

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**HERITAGE OF LONDON TRUST OPERATIONS
LIMITED BY GUARANTEE
ANNUAL REPORT
YEAR ENDED 31 MARCH 2007**

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**HERITAGE OF LONDON TRUST OPERATIONS
LIMITED BY GUARANTEE
LEGAL AND ADMINISTRATIVE INFORMATION**

The governing body presents their report together with the financial statements for the year ended 31 March 2007

The registered charity number is 1017579

The company registration number is 2774232

DIRECTORS AND GOVERNING BODY

Mr J Spicer OBE
Mr R Barden
Mrs D Beattie
Mr M Brookes
Mr R Vigars
Mr P Wise

SECRETARY

Mr M D Crowder OBE, FRICS

REGISTERED OFFICE AND PRINCIPAL ADDRESS

58-60 King Street
Norwich
Norfolk
NR1 1PG

SOLICITORS

Mills & Reeve
1 St James Court
Whitefriars
Norwich
NR3 1RU

BANKERS

Co-Operative Bank PLC
69 London Street
Norwich
Norfolk
NR2 1HT

AUDITORS

PKF (UK) LLP
Cedar House
105 Carrow Road
Norwich
NR1 1HP

**HERITAGE OF LONDON TRUST OPERATIONS
LIMITED BY GUARANTEE
REPORT OF THE TRUSTEES
YEAR ENDED 31 MARCH 2007**

Structure, governance and management

Governing document

The company is a charitable company limited by guarantee, incorporated on 16 December 1992 and registered as a charity on 23 February 1993. The company was established under a Memorandum of Association which defined the objects and powers of the charitable company and is governed under its Articles of Association.

The form of the Memorandum and the Articles of Association is similar to the standard form recommended by the Architectural Heritage Fund. In the event of the company being wound up members are required to contribute an amount not exceeding £5.00 (five pounds).

Recruitment and appointment of the board

The directors of the company are also charity trustees for the purposes of charity law and under the company's Articles are known as members of the Council of Management. The original number of members was two but the Council of Management can approve further numbers and currently this is six.

Under the requirements of the Memorandum and Articles the members of the Council of Management retire by rotation with one-third of the members retiring each year and are able to offer themselves for re-election at the annual general meeting.

Appointments are made on the recommendation of the Council of Management.

Trustee induction and training

Those trustees appointed are normally already experienced with the work of charities and in addition bring an appropriate interest and skill to the governing body. The Memorandum and Articles of Association are made available together with advice on the dual role of member and trustee.

The nature of the company as a building preservation trust and its operation as a rolling fund trust is explained together with a current report on projects in hand and planned with a financial summary and an outline of sources of funding.

New trustees will be provided with Charity Commission booklets CC3 and CC3a.

Risk management

The records of the company are held at its registered office at 58-60 King Street, Norwich NR1 1PG and the majority are held on computer. A weekly back-up is taken and a copy stored at another location. The use of alternating back-up units ensures that records on both sites are sufficiently current to minimise risk from lost data.

Financial payments are made only by cheque or standing order and transfers between the current and deposit accounts by telephone calls to the bank; cheques require two signatures.

Risk in undertaking projects is managed in the careful selection of professional teams experienced in historic building conservation with the client interest being represented by an experienced project organiser.

The company has no salaried staff, its project organiser and secretary is an independent fee earner and the loss of the project organiser and secretary before any formal hand-over of responsibilities and records could provide a lack of continuity and thereby a potentially difficult period.

A comprehensive risk management assessment is regularly reviewed by the trustees.

**HERITAGE OF LONDON TRUST OPERATIONS
LIMITED BY GUARANTEE
REPORT OF THE TRUSTEES (continued)
YEAR ENDED 31 MARCH 2007**

Related parties

Related parties might include those members of the board connected with the Heritage of London Trust which gives grants towards projects undertaken by the trust. The project organiser and secretary earns a fee for his services to the trust and is the company secretary although not a member of the Council of Management.

Objectives and activities

The company's primary object is to preserve on behalf of the townspeople of Greater London and of the nation at large buildings of particular beauty or historical, architectural or constructional interest.

The company achieves its objects by working with the local authorities, statutory bodies, grant and loan giving agencies to take on, restore, repair and refurbish buildings at risk to bring them back into beneficial use.

On completion of the project the restored buildings are either sold on or let with sale receipts or loans secured by rental income forming the revolving fund by which the company maintains its facility to continue its work.

Achievements and performance

The trust has undertaken and completed five projects providing both residential and commercial units. The projects have all been buildings on the English Heritage Buildings at Risk Register for Greater London and have involved partnerships with other interests including regeneration bodies and health authorities. The projects have provided both residential accommodation and business premises from formerly derelict buildings.

It is currently advising as its project organiser the Haringey Building Preservation Trust on achieving a sustainable conservation and restoration of 810 High Road, Haringey, a Grade II* listed building at risk where tenders have been received and it is expected that a contract for repairs will be placed shortly.

Financial review

With the pressure being exerted on English Heritage, the Heritage Lottery Fund and local authority resources it is becoming increasingly difficult to source funding for historic buildings other than those classified as being of exceptional quality and requiring, in many cases, other inputs such as community involvement, educational benefit, public access and sustainability, with the latter usually requiring a detailed business plan.

Principal funding sources

To date these have included grants from English Heritage, the Heritage Lottery Fund, Heritage of London Trust, the Architectural Heritage Fund, some London Boroughs and other funding bodies all directed towards particular projects. Proceeds of sales, commercial loans secured on property and an annual rental from Thorpe Coombe House complement these sources.

**HERITAGE OF LONDON TRUST OPERATIONS
LIMITED BY GUARANTEE
REPORT OF THE TRUSTEES (continued)
YEAR ENDED 31 MARCH 2007**

Investment policy

The company can invest moneys not immediately required for its immediate purposes in or upon such investments, securities or property as may be thought fit subject to conditions or consents as may for the time being be imposed or required by law. The order of moneys held in an interest earning bank deposit account is £20,000-30,000, although this does vary from time to time.

Reserves policy

The company has reviewed its past requirements and based on that review has adopted a policy to aim to hold in the order of two to three years' operating costs as a reserve to cover those periods when there are no active projects providing income.

Plans for future periods

The trust has commissioned an options appraisal in partnership with London South Bank University on a substantial group of Grade II listed properties near St Georges Circus, Southwark. These are in the ownership of the university, currently vacant and on the English Heritage Greater London Buildings at Risk Register.

The trust has commissioned an options appraisal in partnership with Thames Water on a small group of substantial Grade II* and Grade II listed buildings at the Abbey Mills Pumping Station in Newham, now surplus to its requirements.

The trust has commissioned an options appraisal in partnership with Hackney Borough Council on a substantial terrace of unlisted properties at Dalston Lane. The terrace is in a conservation area and of local importance. The properties are in multi-ownership and this has to be taken into consideration in exploring suitable outcomes.

It still appears likely that the trust will be asked to be project organiser for the South London Theatre, Lambeth, a Grade II listed building in need of conservation and refurbishment.

Responsibilities of the trustees

The trustees are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees are required to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required to give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity, including its income and expenditure, for that period. In preparing these financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently,
- make judgments and estimates that are reasonable and prudent,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**HERITAGE OF LONDON TRUST OPERATIONS
LIMITED BY GUARANTEE
REPORT OF THE TRUSTEES (continued)
YEAR ENDED 31 MARCH 2007**

Responsibilities of the trustees (continued)

In accordance with company law, as the trustees, we certify that

- so far as we are aware, there is no relevant audit information of which the company's auditors are unaware, and
- as the directors of the company we have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information

Indemnity insurance

Third party indemnity insurance has been provided by the trust for the trustees

Auditors


PKF (UK) LLP were re-appointed as the charitable company's auditors during the year and have expressed their willingness to continue in that capacity

Basis of preparation

The trustees report is prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies

Approved by the trustees/directors on 29/11/07

and signed on their behalf by



M D Crowder OBE FRICS
Secretary

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HERITAGE OF LONDON TRUST OPERATIONS LIMITED BY GUARANTEE

We have audited the financial statements of Heritage of London Trust Operations Limited for the year ended 31 March 2007 which comprise the statement of financial activities, the balance sheet and the related notes. The financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the charity's members, 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 charity's members 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 charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

The responsibilities of the trustees (who are also the directors of the company for the purposes of company law) for preparing the annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards ("United Kingdom Generally Accepted Accounting Practice") are set out in the statement of trustees' responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and have been properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the trustees' report is consistent with the financial statements.

In addition we report to you if, in our opinion, the charity 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 trustees' remuneration and other transactions is not disclosed.

We read the trustees' 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 International Standards on Auditing (UK and Ireland) 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 trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charitable 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.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
HERITAGE OF LONDON TRUST OPERATIONS LIMITED BY GUARANTEE
(continued)**

Opinion

In our opinion

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 March 2007 and of its incoming resources and application of resources including its income and expenditure for the year then ended,
- the financial statements have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the trustees' report is consistent with the financial statements

Norwich, UK

B.12.07

PKF(UK)LLP
PKF (UK) LLP
Registered Auditors

**HERITAGE OF LONDON TRUST OPERATIONS
LIMITED BY GUARANTEE
STATEMENT OF FINANCIAL ACTIVITIES
(INCLUDING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2007**

| | Notes | 2007 Total funds £ | 2006 Total funds £ |
|-----------------------------------------------|-----------|-----------------------------|-----------------------------|
| INCOMING RESOURCES | | | |
| Incoming resources from generated funds: | | | |
| Investment income | 2 | 1,575 | 799 |
| Incoming resources from charitable activities | 3 | 41,472 | 38,396 |
| Total incoming resources | | 43,047 | 39,195 |
| RESOURCES EXPENDED | | | |
| Charitable activities | 4 | 18,599 | 76,396 |
| Governance costs | 4 | 25,837 | 25,462 |
| Total resources expended | | 44,436 | 101,858 |
| NET MOVEMENT IN FUNDS | | (1,389) | (62,663) |
| RECONCILIATION OF FUNDS | | | |
| Total funds brought forward | | 270,538 | 333,201 |
| Total funds carried forward | 11 | 269,149 | 270,538 |

The Statement of Financial Activities includes all gains and losses in the year. All incoming resources and resources expended derive from continuing activities.


There were no movements on restricted funds during the year and all fund movements shown above relate to unrestricted funds.


**HERITAGE OF LONDON TRUST OPERATIONS
LIMITED BY GUARANTEE
BALANCE SHEET
AS AT 31 MARCH 2007**

| | Notes | £ | <u>2007</u> £ | £ | <u>2006</u> £ |
|----------------------------------------------|-------|---------------|------------------|---------------|------------------|
| FIXED ASSETS | | | | | |
| Tangible assets | 8 | | 500,000 | | 500,000 |
| CURRENT ASSETS | | | | | |
| Debtors | 9 | - | | 3,317 | |
| Cash at bank and in hand | | 35,248 | | 84,157 | |
| | | <u>35,248</u> | | <u>87,474</u> | |
| CREDITORS: | | | | | |
| Amounts falling due within one year | 10 | 32,569 | | 70,661 | |
| | | <u>32,569</u> | | <u>70,661</u> | |
| NET CURRENT ASSETS | | | 2,679 | | 16,813 |
| CREDITORS: | | | 502,679 | | 516,813 |
| Amounts falling after more than one year | 10 | | (233,530) | | (246,275) |
| | | | <u>(233,530)</u> | | <u>(246,275)</u> |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | | 269,149 | | 270,538 |
| INCOME FUNDS | | | | | |
| Unrestricted funds | 11 | | 269,149 | | 270,538 |
| | | | <u>269,149</u> | | <u>270,538</u> |
| TOTAL FUNDS | | | 269,149 | | 270,538 |
| | | | <u>269,149</u> | | <u>270,538</u> |

These financial statements are prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 29/11/07 by

Director 

Director 

**HERITAGE OF LONDON TRUST OPERATIONS
LIMITED BY GUARANTEE
NOTES FORMING PART OF THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2007**

1. ACCOUNTING POLICIES

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the year and in the preceding year.

(a) Basis of accounting

The financial statements have been prepared under the historical cost convention, as modified by the inclusion of fixed asset investment property at market value, and in accordance with the Companies Act 1985 and the Statement of Recommended Practice Accounting and Reporting by Charities issued in March 2005.

(b) Fund accounting

- Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity. Unrestricted funds include a revaluation reserve representing the restatement of investment assets at market values.
- Designated funds are unrestricted funds earmarked by the trustees for particular purposes.
- Restricted funds are subjected to restrictions on their expenditure imposed by the donor or through the terms of an appeal.

(c) Incoming resources

All incoming resources are included in the Statement of Financial Activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

- voluntary income is received by way of grants, donations and gifts and is included in full in the Statement of Financial Activities when receivable. Grants, where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to a grant,
- donated services and facilities are included at the value to the charity where this can be quantified. The value of services provided by volunteers has not been included in these accounts,
- incoming resources from grants, where related to performance and specific deliverables, are accounted for as the charity earns the right to consideration by its performance,
- investment income is included when receivable,
- incoming resources from charitable activities are accounted for when earned.

**HERITAGE OF LONDON TRUST OPERATIONS
LIMITED BY GUARANTEE
NOTES FORMING PART OF THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2007**

(d) Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates.

- costs of generating funds comprise the costs associated with attracting voluntary income,
- charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them,
- governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity,
- all costs are allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis for instance on a per capita basis or by estimated usage as set out in note 4.

(e) Tangible fixed assets – investment property

Fixed assets comprise investment property. This is included in the balance sheet at its open market value, as determined periodically by professional valuers and updated in the interim period by the directors, in accordance with the Financial Reporting Standard for Smaller Entities and is not depreciated. This treatment is contrary to the Companies Act 1985 which states that fixed assets should be depreciated but is, in the opinion of the trustees, necessary to give a true and fair view of the financial position of the company.

(f) Stock and work in progress

Stock, comprising project work in progress, is stated at the lower of cost and net realisable value. Cost comprises the direct cost of acquiring properties and improvements to property. Net realisable value is based on estimated selling price allowing for all further costs of completion and disposal.

**HERITAGE OF LONDON TRUST OPERATIONS
LIMITED BY GUARANTEE**
NOTES FORMING PART OF THE FINANCIAL STATEMENTS (continued)
YEAR ENDED 31 MARCH 2007

2 INCOMING RESOURCES FROM GENERATED FUNDS

| | 2007 Total £ | 2006 Total £ |
|------------------------------------------|-----------------------------|-----------------------------|
| Investment income | | |
| Interest on bank deposits | 1,575 | 799 |
| | <hr/> | <hr/> |
| Total income from generated funds | 1,575 | 799 |
| | <hr/> | <hr/> |

3 INCOMING RESOURCES FROM ACTIVITIES TO FURTHER THE CHARITY'S OBJECTIVES

| | 2007 Total £ | 2006 Total £ |
|------------------------------------------------------------|-----------------------------|-----------------------------|
| Rental income | 28,557 | 37,125 |
| Sundry income | 12,915 | 1,271 |
| | <hr/> | <hr/> |
| Total incoming resources from charitable activities | 41,472 | 38,396 |
| | <hr/> | <hr/> |

**HERITAGE OF LONDON TRUST OPERATIONS
LIMITED BY GUARANTEE**
NOTES FORMING PART OF THE FINANCIAL STATEMENTS (continued)
YEAR ENDED 31 MARCH 2007

4 RESOURCES EXPENDED

| | Basis of allocation | Rental income | Property | Governance | 2007 Total | 2006 Total |
|-----------------------------------------------|---------------------|---------------|----------------|---------------|---------------|----------------|
| | | £ | £ | £ | £ | £ |
| Costs directly allocated to activities | | | | | | |
| Loan interest | direct | 19,740 | - | - | 19,740 | 20,230 |
| Property projects | direct | - | (11,104) | - | (11,104) | 46,208 |
| Project organiser's fees | direct | - | - | 22,611 | 22,611 | 21,124 |
| Audit fees | direct | - | - | 1,526 | 1,526 | 1,809 |
| Support costs allocated to activities | | | | | | |
| Professional fees | usage | - | 9,963 | - | 9,963 | 9,958 |
| General office costs | direct | - | - | 1,005 | 1,005 | 2,499 |
| Bank charges | direct | - | - | 695 | 695 | 30 |
| Total resources expended | | 19,740 | (1,141) | 25,837 | 44,436 | 101,858 |

5 TRUSTEE REMUNERATION

The trustees did not receive emoluments and were not reimbursed for expenses during the year other than payment of indemnity insurance as detailed in the trustees' report

During the year the company had no employees (2006 nil)

**HERITAGE OF LONDON TRUST OPERATIONS
LIMITED BY GUARANTEE
NOTES FORMING PART OF THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2007**

6 NET INCOMING RESOURCES FOR THE YEAR

This is stated after charging the following

| | 2007 £ | 2006 £ |
|-----------------------|-------------------|-------------------|
| Auditors remuneration | 1,526 | 1,809 |
| | <u> </u> | <u> </u> |

7 TAXATION

As a charity, the company is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that income or gains are applied to its charitable objects. No tax charges have arisen.

8 FIXED ASSETS

| | £ |
|------------------------------------------------------|-------------------|
| Valuation as at 1 April 2006 and as at 31 March 2007 | 500,000 |
| | <u> </u> |

The property is an investment property and is held for direct charitable purposes.

The property held by the company is leased to a third party. All rentals received are used by the company for charitable purposes.

The property was valued by M D Crowder OBE FRICS as at 31 March 2007 informally on behalf of the company in his capacity as company secretary, on the basis of a valuation obtained in August 2004 from professional surveyors.

On a historical basis the property would have been included at a cost of £226,989 (2006 £226,989).

9 DEBTORS

| | 2007 £ | 2006 £ |
|-----|-------------------|-------------------|
| VAT | - | 3,317 |
| | <u> </u> | <u> </u> |
| | - | 3,317 |
| | <u> </u> | <u> </u> |

**HERITAGE OF LONDON TRUST OPERATIONS
LIMITED BY GUARANTEE
NOTES FORMING PART OF THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2007**

10 CREDITORS

| | 2007 Due within one year £ | 2006 Due within one year £ |
|-------------------------------------------------|-------------------------------------|-------------------------------------|
| a) Amounts due within one year | | |
| Bank loan and overdraft | 13,000 | 13,000 |
| Trade creditors | 35 | 52,963 |
| Tax and other social security | 1,338 | - |
| Other creditors | 18,196 | 4,698 |
| | <u>32,569</u> | <u>70,661</u> |
| b) Amounts due after more than one year: | | |
| Bank loan | <u>233,530</u> | <u>246,275</u> |

Included within other creditors is the sum of £Nil (2006 £195) held on behalf of Haringey Buildings Preservation Trust

The bank loan is secured on the company's property Included within the bank loan above are loan instalments falling due as follows

| | 2007 | 2006 |
|-------------------------|----------------|----------------|
| In two to five years | 52,000 | 52,000 |
| In more than five years | 181,530 | 194,275 |
| | <u>233,530</u> | <u>246,275</u> |

11 MOVEMENTS IN FUNDS

The movement on unrestricted funds during the year was as follows

| | At 1 April 2006 | Incoming resources £ | Resources expended £ | At 31 March 2007 £ |
|---------------------|--------------------|----------------------------|----------------------------|--------------------------|
| Free reserves | (2,473) | 43,047 | (44,436) | (3,862) |
| Revaluation reserve | 273,011 | - | - | 273,011 |
| | <u>270,538</u> | <u>43,047</u> | <u>(44,436)</u> | <u>269,149</u> |

**HERITAGE OF LONDON TRUST OPERATIONS
LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2007**

12 RELATED PARTY TRANSACTIONS

| | 2007 £ | 2006 £ |
|-----------------------------------------------|-------------------|-------------------|
| M D Crowder (Project organiser and secretary) | | |
| Fees and expenses paid in the year | 22,611 | 21,124 |
| | <u> </u> | <u> </u> |

In 2006 Malcolm D Crowder Limited made a short term loan of £10,000 to the company. This was repaid during 2006. Interest amounting to £87 was incurred on the loan. Mr M D Crowder, secretary, is a shareholder and director of Malcolm D Crowder Limited.

HERITAGE OF LONDON TRUST OPERATIONS
LIMITED BY GUARANTEE
PROFIT AND LOSS ACCOUNT
YEAR ENDED 31 MARCH 2007

MANAGEMENT INFORMATION
SCHEDULE A

| | 2007 | | 2006 | |
|----------------------------------------------|--------|-----------------|--------|-----------------|
| | £ | £ | | £ |
| Cost of sales | | | | |
| Direct project costs | | (1,608) | | (46,208) |
| Write back of over accrual in previous years | | | | |
| St Pancras | | 4,700 | | - |
| Poplar | | 8,012 | | - |
| Gross profit /(loss) | | <u>11,104</u> | | <u>(46,208)</u> |
| Other income | | | | |
| Rent receivable | | 28,557 | | 37,125 |
| Interest receivable | | 1,575 | | 799 |
| Other income - insurance excess refund | - | | 1,250 | - |
| - insurance refund in excess of costs | 192 | | - | |
| - insurance claim for loss of income | 8,567 | | - | |
| - other | 4,156 | 12,915 | 21 | 1,271 |
| | | <u>54,151</u> | | <u>(7,013)</u> |
| Overheads | | | | |
| Project organiser's fees and costs | 22,611 | | 21,124 | |
| Audit and accountancy | 1,526 | | 1,809 | |
| Sundry administration costs | 60 | | 1,295 | |
| Loan interest | 19,740 | | 20,230 | |
| Bank charges | 695 | | 30 | |
| Insurances | 945 | | 1,204 | |
| Professional fees | 9,963 | | 9,958 | |
| | | <u>(55,540)</u> | | <u>(55,650)</u> |
| (Deficit) for the year | | <u>(1,389)</u> | | <u>(62,663)</u> |