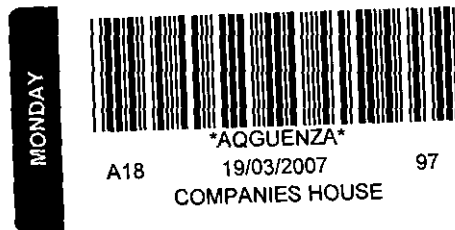


COMPANY REGISTRATION NUMBER 3451239

**10 CANAL STREET MANAGEMENT
COMPANY LIMITED**

UNAUDITED FINANCIAL STATEMENTS

31 OCTOBER 2006



MOORE STEPHENS
Chartered Accountants
Centurion House
129 Deansgate
Manchester
M3 3WR

10 CANAL STREET MANAGEMENT COMPANY LIMITED

FINANCIAL STATEMENTS

YEAR ENDED 31 OCTOBER 2006

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10 CANAL STREET MANAGEMENT COMPANY LIMITED

OFFICERS AND PROFESSIONAL ADVISERS

The board of directors

P M Houghton
H Seymour

Company secretary

N Eppie

Registered office

C/o Stevens Scanlan
73 Mosley Street
Manchester
M2 3JN

Accountants

Moore Stephens
Chartered Accountants
Centurion House
129 Deansgate
Manchester
M3 3WR

10 CANAL STREET MANAGEMENT COMPANY LIMITED

THE DIRECTORS' REPORT

YEAR ENDED 31 OCTOBER 2006

The directors have pleasure in presenting their report and the unaudited financial statements of the company for the year ended 31 October 2006.

PRINCIPAL ACTIVITIES

The principal activity of the company during the year was to administer and maintain the common parts of the property at 10 Canal Street, Manchester.

THE DIRECTORS AND THEIR INTERESTS IN THE SHARES OF THE COMPANY

The directors who served the company during the year together with their beneficial interests in the shares of the company were as follows:

	Ordinary Shares of £1 each	
	At 31 October 2006	At 1 November 2005
P M Houghton	1	1
H Seymour	1	1
	<u>1</u>	<u>1</u>

ACCOUNTANTS

Moore Stephens, Chartered Accountants, have indicated their willingness to continue in office for the ensuing year.

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.

Registered office:
C/o Stevens Scanlan
73 Mosley Street
Manchester
M2 3JN

Signed by order of the directors



N EPPIE
Company Secretary

Approved by the directors on 25 January 2007

10 CANAL STREET MANAGEMENT COMPANY LIMITED

**CHARTERED ACCOUNTANTS' REPORT TO THE BOARD OF
DIRECTORS ON THE UNAUDITED FINANCIAL STATEMENTS OF 10
CANAL STREET MANAGEMENT COMPANY LIMITED**

YEAR ENDED 31 OCTOBER 2006

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 comprise the *Income and Expenditure Account, Balance Sheet and the related notes 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 October 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 to us and we do not, therefore, express any opinion on the financial statements.



MOORE STEPHENS
Chartered Accountants

Centurion House
129 Deansgate
Manchester
M3 3WR

25 January 2007

10 CANAL STREET MANAGEMENT COMPANY LIMITED

INCOME AND EXPENDITURE ACCOUNT

YEAR ENDED 31 OCTOBER 2006

	Note	2006 £	2005 £
INCOME	2	9,876	9,876
Administrative expenses		8,791	3,367
SURPLUS ON ORDINARY ACTIVITIES BEFORE TAXATION		1,085	6,509
Tax on surplus on ordinary activities	3	-	-
SURPLUS FOR THE FINANCIAL YEAR		1,085	6,509

Movements in reserves are shown at note 8.

The notes on pages 6 to 7 form part of these financial statements.

10 CANAL STREET MANAGEMENT COMPANY LIMITED

BALANCE SHEET

31 OCTOBER 2006

	Note	2006 £	2005 £
CURRENT ASSETS			
Debtors	4	686	1,289
Cash at bank		11,100	10,935
		<u>11,786</u>	<u>12,224</u>
CREDITORS: Amounts falling due within one year	5	<u>3,161</u>	<u>4,684</u>
NET CURRENT ASSETS			<u>8,625</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>8,625</u>
CAPITAL AND RESERVES			
Called-up equity share capital	7	8	8
Income and expenditure account	8	8,617	7,532
SHAREHOLDERS' FUNDS		<u>8,625</u>	<u>7,540</u>

The directors are satisfied that the company is entitled to exemption from the provisions of the Companies Act 1985 (the Act) relating to the audit of the financial statements for the year by virtue of section 249A(1), and that no member or members have requested an audit pursuant to section 249B(2) of the Act.

The directors acknowledge their responsibilities for:

- (i) ensuring that the company keeps proper accounting records which comply with section 221 of the Act, and
- (ii) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its surplus or deficiency for the financial year in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Act relating to financial statements, so far as applicable to the company.

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 January 2005).

These financial statements were approved by the directors on the 25 January 2007 and are signed on their behalf by:



P M HOUGHTON
Director

The notes on pages 6 to 7 form part of these financial statements.

10 CANAL STREET MANAGEMENT COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 OCTOBER 2006

1. ACCOUNTING POLICIES

The following accounting policies have been consistently applied in dealing with items which are considered to be material in relation to the company's financial statements.

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 January 2005).

Income

Income represents the amount derived from the collection of service charges to be used to administer and maintain the common parts of the property at 10 Canal Street, Manchester.

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

2. INCOME

In the opinion of the directors, none of the income of the company is attributable to geographical markets outside the UK (2005 £nil).

3. TAXATION ON ORDINARY ACTIVITIES

No reserve has been made in the financial statements as all surpluses are deemed to fall within non-taxable mutual provisions.

4. DEBTORS

	2006	2005
	£	£
Trade debtors	340	1,111
Prepayments	346	178
	<u>686</u>	<u>1,289</u>

5. CREDITORS: Amounts falling due within one year

	2006	2005
	£	£
Service charges in advance	1,646	1,646
Accruals	1,515	3,038
	<u>3,161</u>	<u>4,684</u>

10 CANAL STREET MANAGEMENT COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 OCTOBER 2006

6. RELATED PARTY TRANSACTIONS

A lessee from each property comprised in the land and buildings maintained by the company is required to become a member as a condition of occupancy. Accordingly, all transactions relating to income (£9,876), trade debtors (£340) and service charges in advance (£1,646) are related party transactions.

The directors are of the opinion that disclosure on an aggregate basis, in the foregoing notes to the financial statements, is sufficient to give full understanding of the effect of related party transactions.

7. SHARE CAPITAL

Authorised share capital:

	2006	2005
	£	£
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>

Allotted, called up and fully paid:

	2006		2005	
	No	£	No	£
Ordinary shares of £1 each	<u>8</u>	<u>8</u>	<u>8</u>	<u>8</u>

8. INCOME AND EXPENDITURE ACCOUNT

	2006	2005
	£	£
Balance brought forward	7,532	1,023
Surplus for the financial year	<u>1,085</u>	<u>6,509</u>
Balance carried forward	<u>8,617</u>	<u>7,532</u>