

COMPANY REGISTRATION NO. 3487725

CHLA LIMITED

FINANCIAL STATEMENTS

31st DECEMBER 1998



WILLIAM WORMALD & COMPANY
CHARTERED ACCOUNTANTS

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CHLA LIMITED

FINANCIAL STATEMENTS

31st DECEMBER 1998

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CHLA LIMITED

31st DECEMBER 1998

COMPANY INFORMATION

Directors:

C A M Adlington

M A Grant

D R E Hodges

R D Lightfoot

Secretaries:

M A Grant

R D Lightfoot

Registered Office:

5 Clarion House

Moreton Place

London

SW1V 2NN

Administrative Office:

18 Clarion House

Moreton Place

London

SW1V 2NN

Registered Auditors:

William Wormald & Company

9/10 Romney Place

Maidstone

Kent

ME15 6LE

CHLA LIMITED

31st DECEMBER 1998

REPORT OF THE DIRECTORS

The directors have pleasure in presenting the financial statements for the period from 2nd January 1998 to 31st December 1998 and set out below is their report thereon.

PRINCIPAL ACTIVITY

The Company's principal activity is of property investment and management.

RESULTS

There was an excess of revenue over expenditure for the year as shown on page 4. The Company's financial position is considered satisfactory.

DIRECTORS

The directors during the year and their respective interests in the share capital of the Company were as follows:-

| | <u>£1 ordinary shares</u> | |
|-----------------|---------------------------|-----------------|
| | <u>31.12.1998</u> | <u>2.1.1998</u> |
| C A M Adlington | NIL | NIL |
| M A Grant | 1 | 1 |
| D R E Hodges | NIL | NIL |
| R D Lightfoot | 1 | 1 |
| | === | === |

Appointment of Directors were made 2nd January 1998

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 these 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 a going concern basis unless it is inappropriate to presume that the Company will continue in business.

CHLA LIMITED

31st DECEMBER 1998

REPORT OF THE DIRECTORS - Continued

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.

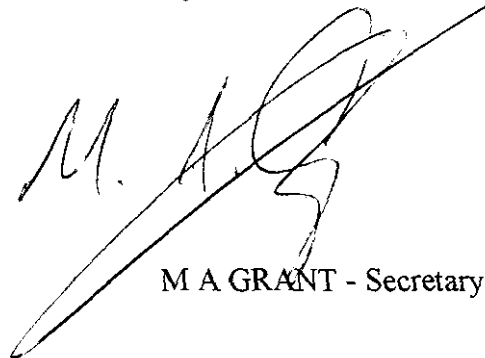
AUDITORS

William Wormald & Company have indicated their willingness to continue in office and in accordance with the provisions of the Companies Act it is proposed that they be re-appointed auditors to the Company for the ensuing year.

SMALL COMPANY RULES

These accounts have been prepared in accordance with the provisions of Part VIII of the Companies Act 1985 relating to small companies.

By Order of the Board



M A GRANT - Secretary

REPORT OF THE AUDITORS

TO THE MEMBERS OF

CHLA LIMITED

We have audited the financial statements on pages 5 to 8 which have been prepared under the historical cost convention and the accounting policies set out on page 7.

Respective Responsibilities of Directors and Auditors

As described on page 2 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 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 as at 31st December 1998 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



WILLIAM WORMALD & COMPANY
Chartered Accountants &
Registered Auditor
9/10 Romney Place
Maidstone
Kent ME15 6LE

9th August 1999

CHLA LIMITED

REVENUE ACCOUNT

PERIOD 2nd JANUARY 1998 to 31st DECEMBER 1998

| | <u>Note</u> | | <u>1998</u> |
|---|-------------|-----|-------------|
| | £ | £ | £ |
| INCOME | | | |
| Rentals receivable | | | 1,575 |
| Less: Rentals payable | | 150 | |
| Agents costs | | 278 | |
| | | — | 428 |
| | | | — |
| | | | 1,147 |
| INTEREST AND SIMILAR INCOME | | | |
| Interest received | | | 21 |
| | | | — |
| | | | 1,168 |
| MANAGEMENT EXPENSES | 5 | | 15 |
| | | | — |
| NET INCOME BEFORE TAXATION | | | 1,153 |
| TAXATION | 6 | | 242 |
| | | | — |
| NET INCOME AFTER TAXATION CARRIED TO RESERVE | | | £911 |
| | | | ==== |

There are no recognised income or gains other than disclosed in the revenue account.

CHLA LIMITED

BALANCE SHEET

AT 31st DECEMBER 1998

| | <u>Note</u> | £ | <u>1998</u> £ |
|--|-------------|-------------------|------------------------------|
| FIXED ASSETS — Tangible | 2 | | 37,620 |
| CURRENT ASSETS | | | |
| Bank balances | | 2,504 | |
| Less: CREDITORS - amounts falling due within twelve months | 3 | 1,213 | |
| NET CURRENT ASSETS | | <u> </u> | 1,291 |
| ASSETS, net of creditors due within twelve months | | | <u> </u> £38,911 |
| CREDITORS: Amounts falling due after one year | 7 | | 37,998 |
| ISSUED SHARE CAPITAL | 4 | | 2 |
| PROFIT AND LOSS ACCOUNT | | | |
| Net revenue surplus | | | 911 |
| | | | <u> </u> £38,911 |

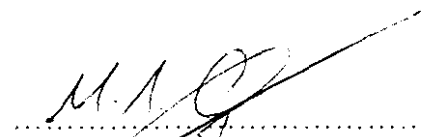
These accounts have been prepared in accordance with the special provisions of part VII of the Companies Act 1985 relating to small companies.

Approved by the Board on 9th August 1999


.....
R D LIGHTFOOT - Director


.....
C A M ADLINGTON - Director


.....
D R E HODGES - Director


.....
M A Grant - Director

CHLA LIMITED

NOTES TO THE FINANCIAL STATEMENTS

PERIOD 2nd JANUARY 1998 TO 31st DECEMBER 1998

1. ACCOUNTING POLICIES

The financial statements have been prepared using the historical cost convention.

FIXED ASSETS AND AMORTISATION

Tangible fixed assets have been included at cost, and no amortisation provided in respect thereof.

TAXATION

Taxation has been provided at the current rate in respect of assessable profits.

2. FIXED ASSETS - Tangible

| | <u>1998</u> |
|----------------------------|-------------|
| Leasehold property at cost | £37,620 |
| | ===== |

3. CREDITORS: Amounts falling due within twelve months

| | <u>1998</u> |
|-----------|-------------|
| Creditors | 971 |
| Taxation | 242 |
| | ----- |
| | £1,213 |
| | ===== |

4. SHARE CAPITAL

| | <u>1998</u> |
|---------------------------------|-------------|
| Authorised: | |
| 19 ordinary 'A' shares | 19 |
| 63,650 'B' non-voting £1 shares | 63,650 |
| | ----- |
| | £63,669 |
| | ===== |
| Issued and fully paid: | |
| 2 ordinary 'A' £1 shares | £2 |
| | ===== |

CHLA LIMITED

NOTES TO THE FINANCIAL STATEMENTS

PERIOD 2nd JANUARY 1998 TO 31st DECEMBER 1998

5. MANAGEMENT EXPENSES

| | <u>1998</u> |
|------------------------|-------------|
| Audit fee | NIL |
| Directors remuneration | NIL |
| Other costs | £15 |
| | ==== |

6. TAXATION

| | <u>1998</u> |
|--|-------------|
| Corporation tax at effective rate of 21% | £242 |
| | ==== |

7. CREDITORS: Amounts falling due after one year

| | <u>1998</u> |
|--|-------------|
| Loan funds without stipulation as to interest or repayment | £37,998 |
| | ===== |