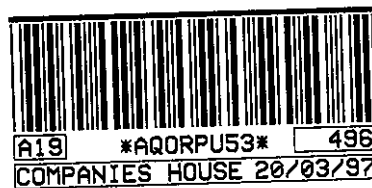


667124

KERSFIELD MAINTENANCE LIMITED
REPORT AND ACCOUNTS
31 DECEMBER 1996

CHANTREY VELLACOTT



CHANTREY VELLACOTT
Chartered Accountants
Russell Square House
10/12 Russell Square
London WC1B 5LF

KERSFIELD MAINTENANCE LIMITED

Directors: Mr F Caruso
Mrs G E M Coker
Ms I M Fuhst
Mr J L Good
Miss O Goodinson
Mr J L Startup
Miss D Wieloch

Secretary: Mr G P Rashbrook

Company Number: 667124

Registered Office: 91 East Hill
Wandsworth
London SW18 2QD

Auditors: Chantrey Vellacott
Chartered Accountants
Russell Square House
10/12 Russell Square
London WC1B 5LF

CONTENTS

	Pages
Report of the directors	1
Report of the auditors	2
Balance sheet	3
Notes to the accounts	4 - 5
Property maintenance account	6

KERSFIELD MAINTENANCE LIMITED

REPORT OF THE DIRECTORS

FOR THE YEAR ENDED 31 DECEMBER 1996

The directors present their report, together with the audited accounts of the company, for the year ended 31 December 1996.

DIRECTORS' RESPONSIBILITIES

The directors are required by company law to prepare accounts for each financial year which give a true and fair view of the state of affairs of the company at the end of the financial year. In preparing the accounts, suitable accounting policies have been used and applied consistently, and reasonable and prudent judgements have been made. The directors are also responsible for maintaining adequate accounting records, for safeguarding the assets of the company, and for preventing and detecting fraud and other irregularities. The directors are satisfied that the business is a going concern.

PRINCIPAL ACTIVITY AND REVIEW OF BUSINESS

The principal activity of the company continues to be the provision of maintenance services. All expenditure incurred has been recharged. The company does not trade in its own right.

The maintenance levy rechargeable to members for the year amounted to £35,495.

FUTURE DEVELOPMENTS AND EVENTS SINCE THE YEAR END

There have been no events since the year end which have had a material effect on the business of the company.

DIRECTORS AND THEIR INTERESTS

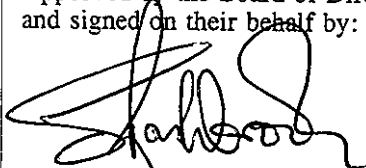
The directors who served during the year and their interests in the ordinary 5p shares of the company at the beginning and end of the year were as follows:-

	31.12.1996	1.1.1996
Mr F Caruso (appointed 10 September 1996)	45	-
Mrs G E M Coker	36	36
Ms I M Fuhst	36	36
Mr J L Good	51	51
Miss O Goodinson	36	36
Miss S M Hamilton (resigned 10 September 1996)	-	30
Mr J L Startup	30	30
Miss D Wieloch	30	30

AUDITORS

A resolution for the re-appointment of Chantrey Vellacott as auditors of the company will be proposed at the forthcoming Annual General Meeting.

Approved by the Board of Directors on 27 February 1997
and signed on their behalf by:



G P RASHBROOK
Secretary

REPORT OF THE AUDITORS TO THE MEMBERS OF

KERSFIELD MAINTENANCE LIMITED

We have audited the accounts on pages 3 to 5 which have been prepared under the historical cost convention and the accounting policies set out on page 4.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As described on page 1, the company's directors are responsible for the preparation of accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts 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 accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts, 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 accounts 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 accounts.

OPINION

In our opinion the accounts give a true and fair view of the state of the company's affairs as at 31 December 1996 and have been properly prepared in accordance with the Companies Act 1985.

Chantrey Vellacott
CHANTREY VELLACOTT

Chartered Accountants
Registered Auditors
Russell Square House
10/12 Russell Square
London WC1B 5LF

3 March 1997

KERSFIELD MAINTENANCE LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 1996

	Notes	1996	1995
CURRENT ASSETS			
Debtors	2	35,822	30,744
Cash at bank		6,486	3,475
		<u>42,308</u>	<u>34,219</u>
CREDITORS: amounts falling due within one year	3	<u>3,007</u>	<u>9,745</u>
NET CURRENT ASSETS		39,301	24,474
PROVISIONS FOR LIABILITIES AND CHARGES			
Reserve for future repairs	5	39,203	24,376
		<u>£ 98</u>	<u>£ 98</u>
EQUITY SHAREHOLDERS' FUNDS			
Called up share capital	6	<u>£ 98</u>	<u>£ 98</u>

Approved by the Board of Directors on 27 February 1997
and signed on their behalf by:

John L Good
J L GOOD
Chairman

KERSFIELD MAINTENANCE LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 1996

1. ACCOUNTING POLICIES

(a) Basis of accounting

The accounts have been prepared under the historical cost convention.

Due to the nature of the company's activities and in order to show a true and fair view, these accounts have not necessarily been prepared using a format under the Companies Act 1985, in particular no profit and loss account is prepared.

(b) Cash flow statement

The company has taken advantage of the provisions of Financial Reporting Standard No.1 and has not prepared a cash flow statement.

2. DEBTORS

	1996	1995
Maintenance levy account (note 4)	31,222	26,325
Prepayments and accrued income	4,600	4,419
	<u>£ 35,822</u>	<u>£ 30,744</u>

3. CREDITORS: amounts falling due within one year

	1996	1995
Corporation tax	76	923
Other creditors	2	2
Accruals and deferred income	2,929	8,820
	<u>£ 3,007</u>	<u>£ 9,745</u>

4. MAINTENANCE LEVY ACCOUNT

	1996	1995
Balance at 1 January 1996	26,325	12,662
Overpayment repaid	-	509
Add: Building insurance recoverable	4,419	6,170
Maintenance recoverable	35,495	32,388
	<u>39,914</u>	<u>38,558</u>
	66,239	51,729
Less: Received on account	35,017	25,404
	<u>£ 31,222</u>	<u>£ 26,325</u>

KERSFIELD MAINTENANCE LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 1996

(Continued)

5.	RESERVE FOR FUTURE REPAIRS	1996	1995
	Balance at 1 January 1996	24,376	98,658
	Provision for year	18,000	15,000
		<hr/>	<hr/>
		42,376	113,658
	Less: Major repairs carried out during the year	3,412	91,856
		<hr/>	<hr/>
		38,964	21,802
		<hr/>	<hr/>
	Miscellaneous income net of corporation tax thereon:		
	Bank interest	315	3,497
	Less: Provision for corporation tax thereon	76	923
		<hr/>	<hr/>
		239	2,574
		<hr/>	<hr/>
	Balance at 31 December 1996	£ 39,203	£ 24,376
		<hr/>	<hr/>
6.	CALLED UP SHARE CAPITAL	1996	1995
	Authorised:		
	2,000 ordinary shares of 5p each	£ 100	£ 100
		<hr/>	<hr/>
	Allotted and fully paid:		
	1,965 ordinary shares of 5p each	£ 98	£ 98
		<hr/>	<hr/>
7.	AUDITORS' REMUNERATION		
	Included in maintenance recoverable for the year is auditors' remuneration of £725 (1995 : £700).		
8.	TAXATION	1996	1995
	Based on the results for the year:		
	U.K. Corporation tax at 24.25% (1995: 25%)	£ 76	£ 923
		<hr/>	<hr/>