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RECTORY GROVE MANAGEMENT (NO. 2) LIMITED

DIRECTORS' REPORT

AND

ACCOUNTS

AT 31ST DECEMBER 1994



ALLIOTTS
Chartered Accountants
Registered Auditors

RECTORY GROVE MANAGEMENT (NO.2) LIMITED

Directors	Mr. G.F. Cooke (Chairman) Mr. J. McKeough (resigned 15th July 1994) Mrs. S. Hodge Mr. C.W. Shaddick Mr. A.H. Recknell Mr. A.W. Lockett Mr. M.R. Hoare (appointed 3rd August 1994)
Secretary	Mr. A.W. Lockett, 30 River Grove Park, Beckenham, Kent. BR3 1HX
Registered Office	30 River Grove Park, Beckenham, Kent. BR3 1HX
Auditors	Messrs. Alliotts, Canterbury House, Sydenham Road, Croydon, Surrey. CR9 2DG
Bankers	Barclays Bank Plc, Barclays House, 3 Beckenham Road, Beckenham, Kent. BR3 4ES

RECTORY GROVE MANAGEMENT (NO.2) LIMITED

DIRECTORS' REPORT

The directors present their report and accounts for the year ended 31st December 1994.

Statement of directors' responsibilities

Company Law requires the Board to prepare accounts for each financial year which give a true and fair view of the state of affairs of the company and of the results of the company for that period. In preparing these accounts, the Board are required to:-

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts;
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The Board is 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 accounts 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.

Activities

The principal activity of the company during the year has been the general maintenance and upkeep of the properties and land comprised in Flats 14 to 31 River Grove Park, Rectory Road, Beckenham, Kent.

Income exceeded the expenditure by £4,776 and this surplus has been transferred to the reserve for future items of repair or refurbishment.

The directors consider the state of the company's affairs to be satisfactory. No future developments in the company's business are anticipated.

Fixed assets

A summary of the changes in fixed assets is set out in note 3 to the accounts.

Directors

The members of the Board during the year were:

Mr. G.F. Cooke
Mr. J. McKeough (resigned 15th July 1994)
Mrs. S. Hodge
Mr. C.W. Shaddick
Mr. A.H. Recknell
Mr. A.W. Luckett
Mr. M.R. Hoare (appointed 3rd August 1994)

RECTORY GROVE MANAGEMENT (NO.2) LIMITED

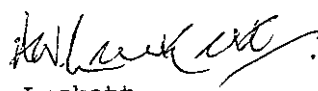
DIRECTORS' REPORT

(continued)

Auditors

Messrs Alliotts offer themselves for re-appointment in accordance with Section 385 (2) Companies Act 1985.

By Order of the Board


A.W. Lockett
Secretary


J. H. Sney

1995

REPORT OF THE AUDITORS TO THE MEMBERS OF
RECTORY GROVE MANAGEMENT (NO.2) LIMITED

We have audited the accounts on pages 5 to 9.

Respective responsibilities of directors and auditors

As described on page 2, the company's Board is responsible for the preparation of accounts. It is our responsibility to form an independent opinion, based on our audit, of 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 Board 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 mis-statement, 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 31st December 1994 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



ALLIOTTS
Chartered Accountants
Registered Auditors

Canterbury House,
Sydenham Road,
Croydon,
Surrey.
CR9 2DG

4th August 1995

RECTORY GROVE MANAGEMENT (NO.2) LIMITEDPROFIT AND LOSS ACCOUNTYEAR ENDED 31ST DECEMBER 1994

	Notes	£	1994	£	£	1993	£
<u>TURNOVER</u>							
Maintenance receipts	1(c)		10,044.00			9,612.00	
Notification fees			-			8.40	
			10,044.00			9,620.40	
<u>EXTERNAL CHARGES</u>							
Maintenance and repairs		1,282.40			2,085.43		
Garden expenses		1,796.19			1,436.64		
Cleaning		1,145.20			1,023.50		
Lighting		372.74			366.73		
Water rates		38.00			-		
				4,634.53		4,912.30	
				5,409.47		4,708.10	
<u>DEPRECIATION</u>							
Equipment and tools	1(b)	79.00			79.00		
				79.00		79.00	
				5,330.47		4,629.10	
<u>OPERATING CHARGES</u>							
Directors' remuneration	8	-			-		
Audit fee		352.50			278.47		
Accountancy fee		52.87			109.28		
Sundry expenses		149.34			158.44		
				554.71		546.19	
<u>SURPLUS ON ORDINARY ACTIVITIES</u>							
				4,775.76		4,082.91	
<u>TRANSFER TO RESERVES</u>							
	6		£4,775.76			£4,082.91	

Note: All recognised gains and losses in the year and the previous year are included in the profit and loss account.

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

The notes on pages 7 to 9 form part of the accounts.

RECTORY GROVE MANAGEMENT (NO.2) LIMITEDBALANCE SHEET31ST DECEMBER 1994

	<u>Notes</u>	<u>£</u>	<u>1994</u>	<u>£</u>	<u>1993</u>	<u>£</u>
Fixed assets						
Tangible assets	3		6,200.14		6,279.14	
Current assets						
Sundry debtors		237.00		48.00		
Cash at bank and in hand						
Bank current account		12,177.66		7,490.76		
Cash in hand		30.54		8.56		
			12,445.20	7,547.32		
Creditors: Amounts falling due within one year	4	(519.12)		(476.00)		
Net current assets			11,926.08		7,071.32	
Total assets less current liabilities			18,126.22		13,350.46	
Net assets			£18,126.22		£13,350.46	
Capital and reserves						
Called up share capital	5		6,300.00		6,300.00	
Re-decoration reserve	6		11,826.22		7,050.46	
Profit and loss account	6		-		-	
Shareholders' funds	7		£18,126.22		£13,350.46	

APPROVED BY THE BOARD

*Dimmett**C. S. Shaw*26th July 1995

Mrs. S. Hodge

) DIRECTORS

) Mr. C. W. S. Hodge

The notes on pages 7 to 9 form part of the accounts.

RECTORY GROVE MANAGEMENT (NO.2) LIMITEDNOTES TO THE ACCOUNTS1. ACCOUNTING POLICIES

The following accounting policies have been used consistently in dealing with items which are considered material in relation to the company's accounts.

(a) Basis of accounting

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

(b) Tangible fixed assets and depreciation

All items of a capital nature, including small tools, are included as tangible fixed assets. Depreciation or amortisation is provided by equal annual instalments over ten years in the case of property improvements, over three years for the tools, and over five years for the equipment. The cost of the freehold land includes the relevant legal costs and stamp duty, and it is not considered appropriate to provide for any depreciation on this land.

(c) Turnover

The turnover represents the income receivable due from flat-owners (and shareholders) for defraying the costs involved in the upkeep and maintenance of the common parts of the property.

(d) Re-decoration reserve

In view of the irregular incidence of costs arising from re-decoration, replacement and substantial repairs, it is the policy of the company to transfer to or from reserve any surplus or deficit arising in the year, unless there is a deficit on the profit and loss account.

2. TAXATION

No taxation is payable as the company has received no income liable to Corporation Tax during the year.

3. TANGIBLE FIXED ASSETS

	Freehold land and property <u>£</u>	Freehold property improvement <u>£</u>	Equipment and tools <u>£</u>	Total <u>£</u>
Cost				
At 31st December 1993				
and at 31st December 1994	6,141.15	1,961.70	519.36	8,622.21
Depreciation				
At 31st December 1993	-	1,961.70	381.37	2,343.07
Provision for the year	-	-	79.00	79.00
At 31st December 1994	-	1,961.70	460.37	2,422.07
Net book value				
At 31st December 1994	£6,141.15	£ -	£58.99	£6,200.14
At 31st December 1993	£6,141.15	£ -	£137.99	£6,279.14

RECTORY GROVE MANAGEMENT (NO.2) LIMITEDNOTES TO THE ACCOUNTS

(continued)

3. TANGIBLE FIXED ASSETS (continued)

	<u>1994</u>	<u>1993</u>
	<u>£</u>	<u>£</u>
Capital commitments		
Contracted for	Nil	Nil
Authorised but not contracted for	Nil	Nil
	<u> </u>	<u> </u>

4. CREDITORS: Amounts falling due within one year

	<u>1994</u>	<u>1993</u>
	<u>£</u>	<u>£</u>
Other creditors		
Maintenance contribution in advance	18.00	6.00
Cleaning	94.00	82.25
Audit and accountancy	405.37	387.75
Insurance overpayment	1.75	-
	<u>£519.12</u>	<u>£476.00</u>

5. CALLED UP SHARE CAPITAL

	<u>1994</u>	<u>1993</u>
	<u>£</u>	<u>£</u>
Allotted and fully paid		
630 Shares of £10 each	£6,300.00	£6,300.00
	<u> </u>	<u> </u>
Authorised		
800 Shares of £10 each	£8,000.00	£8,000.00
	<u> </u>	<u> </u>

6. RESERVES

	<u>Re-decoration reserve</u>	<u>Profit and loss account</u>	<u>Total</u>
	<u>£</u>	<u>£</u>	<u>£</u>
At 31st December 1993	7,050.46	-	7,050.46
Surplus for the year	4,775.76	-	4,775.76
	<u> </u>	<u> </u>	<u> </u>
At 31st December 1994	£11,826.22	£ -	£11,826.22
	<u> </u>	<u> </u>	<u> </u>

7. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	<u>1994</u>	<u>1993</u>
	<u>£</u>	<u>£</u>
Surplus for the year	4,775.76	4,082.91
Opening shareholders' funds	13,350.46	9,267.55
	<u> </u>	<u> </u>
Closing shareholders' funds	£18,126.22	£13,350.46
	<u> </u>	<u> </u>

RECTORY GROVE MANAGEMENT (NO.2) LIMITEDNOTES TO THE ACCOUNTS

(continued)

8. INFORMATION REGARDING DIRECTORS

Share interests:

The table below sets out the names of the persons who were directors of the company at 31st December 1994 together with details of their own (and their families) interests in the shares of the company at that date and corresponding details at 31st December 1993. The interests are beneficial unless otherwise stated.

	<u>1994</u>	<u>1993</u>
Mr. G.F. Cooke	35	35
Mr. J. McKeough	-	35
Mrs. S. Hodge	35	35
Mr. C.W. Shaddick	35	35
Mr. A.H. Recknell	35	35
Mr. A.W. Lockett	35	35
Mr. M.R. Hoare	35	-

No directors' remuneration was paid.

9. PARTICULARS OF EMPLOYEES

No persons were employed by the company during the year.