

Company Number: 976724

SHARDELOES TENANTS LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
YEAR ENDED 31ST MARCH 1996

<u>PAGE</u>	<u>CONTENTS</u>
1-2	DIRECTORS' REPORT
3	STATUTORY PROFIT AND LOSS ACCOUNT
4	BALANCE SHEET
5-8	NOTES TO THE ACCOUNTS
9	AUDITOR'S REPORT

DR R K ASHTON
CHARTERED ACCOUNTANT
14 WOODSIDE CLOSE
AMERSHAM
BUCKS HP6 5EG



SHARDELOES TENANTS LIMITED

REPORT OF THE DIRECTORS' FOR THE YEAR ENDED 31ST MARCH 1996

The Directors submit their report together with the audited financial statements for the year ended 31st March 1996.

Results and Dividends

The results of the company for the year are set out on page 3. The Directors do not recommend the payment of a dividend.

Principal Activities

The principal activity of the company is that of managing the property known as Shardeloes which is situated in Amersham. It is not the purpose of the Company to be profit making on a year to year basis but to cover the costs of managing the property on an annual basis.

REPORTING OBLIGATIONS

Company Law requires the directors to prepare the 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 those 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.

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.

SHARDELOES TENANTS LIMITED

REPORT OF THE DIRECTORS' FOR THE YEAR ENDED 31ST MARCH 1996

Continued

Fixed Assets

Details of fixed assets are shown in the notes to the accounts. The Directors are of the opinion that there is no material difference between the book value and the market value of the assets reported therein.

Charitable and Political Contributions

There were no charitable or political contributions during the year.

Directors

Their interests in the Ordinary "A" share capital of the Company were:

<u>Ownership of Shares</u>	<u>31/3/96</u>	<u>31/3/95</u>
R Hancock	1	1
J M Viol	1	1
D Inchbald	1	1
B Clarke	1	1
J Whiting	1	1
W Bowman	1	1

During the year the 34 "B" shares were cancelled in accordance with a resolution passed at the AGM held on the 23rd July 1995.

Close Company Status

The company is a close company as defined by the Income and Corporation Taxes Act 1988.

Auditor

Dr R K Ashton, a registered Auditor, having expressed his willingness to continue in office, a resolution to re-appoint him will be proposed at the AGM.

...*Budget M. Clarke*...
By Order of the Board
B M Clarke - Secretary

...*23 May 1996*...
Date

SHARDELOES TENANTS LIMITED

STATEMENT OF MANAGEMENT AND MAINTENANCE EXPENDITURE

FOR THE YEAR ENDED 31ST MARCH 1996

	<u>NOTES</u>	<u>1996</u> £	<u>1995</u> £
<u>Caretaker's Costs</u>			
Wages and National Insurance		11,559	11,693
Pension and Life Insurance		1,803	1,326
Electricity and Gas		1,234	1,283
Miscellaneous		448	279
Community Charge		838	784
		<u>15,882</u>	<u>15,365</u>
<u>Management and General Expenses</u>			
Repairs and Maintenance		30,739	29,841
Estate Maintenance		4,553	8,260
Depreciation		1,254	1,672
Electricity and Water		750	1,321
Professional Fees		3,002	3,815
Insurance		7,779	7,439
Sundries		2,549	1,449
Accountancy and Audit		960	900
Loan Interest	2	67	-
		<u>51,653</u>	<u>54,697</u>
<u>Administrative Costs</u>		<u>67,535</u>	<u>70,062</u>
<u>Miscellaneous Income</u>			
Field Rent		<u>1,310</u>	<u>810</u>
<u>Less expenses</u>			
Taxation		-	202
Fencing and Repairs		1,782	-
Water		<u>153</u>	<u>-</u>
		<u>1,935</u>	<u>202</u>
<u>Net Field (Loss)/Profit</u>		<u>(625)</u>	<u>608</u>
Bank Interest received	2	1,278	-
Taxation		<u>303</u>	<u>-</u>
		<u>975</u>	<u>-</u>
		<u>67,185</u>	<u>69,454</u>
Surplus for the year	3	<u>7,128</u>	<u>2,694</u>
<u>Tenants Contributions</u>		<u>74,313</u>	<u>72,148</u>

SHARDELOES TENANTS LIMITED

BALANCE SHEET AS AT 31ST MARCH 1996

	NOTES	1996 £	1995 £
<u>FIXED ASSETS</u>			
Tangible Assets:	4	<u>3,763</u>	<u>5,017</u>
<u>CURRENT ASSETS</u>			
Sundry Debtors and Prepayments		1,893	359
Cash at Bank		<u>62,229</u>	<u>16,771</u>
		<u>64,122</u>	<u>17,130</u>
<u>CREDITORS: Amounts falling due over one year</u>			
Corporation Tax	5	320	202
Accruals		<u>3,170</u>	<u>4,383</u>
		<u>3,490</u>	<u>4,585</u>
<u>NET CURRENT ASSETS</u>		<u>60,632</u>	<u>12,545</u>
Received from tenants and held to meet any final cost of acquiring the freehold	1	-	2,295
Tenants Loans	2	<u>42,000</u>	<u>-</u>
		<u>22,395</u>	<u>15,267</u>
<u>CAPITAL AND RESERVES</u>			
Share Capital	6	24	27
General Reserve	7	16,871	9,740
Capital Reserve	8	<u>5,500</u>	<u>5,500</u>
SHAREHOLDERS EQUITY	9	<u>22,395</u>	<u>15,267</u>

The accounts were approved by the Directors on the date stated below.

.....*R Hancock*.....
R HANCOCK DIRECTOR

...23...May...1996
DATE

The accompanying notes and statement of accounting policies form part of this statement.

SHARDELOES TENANTS LIMITED

NOTES TO THE ACCOUNTS AS AT 31ST MARCH 1996

1 ACCOUNTING POLICIES

- (a) As the company is non-profit making there is only a small amount of income which is used to either reduce/augment the deficiency/surplus between the tenants contributions and expenditure. The aim of the company is to break even on a year by year basis.
- (b) The acquisition of the freehold of Shardeloes Estate was financed by an advance of £42,000 from the tenants whose leases have been extended from 99 years to 999 years.
- (c) Depreciation is provided at the rate of 25% per annum on a reducing balance basis and it is considered that this is sufficient to write down the assets to their residual value at the end of their expected life.
- (d) The accounts are drawn up on an historic costs basis and adapted according to the circumstances and dictates of a non-profit making housing management company.
- (e) The company had no capital commitments at the year end. All repairs are met by tenants contributions.
- (f) There is no turnover as such; the contributions of the tenants are supplemented by a small amount of field rent.

2 The bank interest paid and received is not in respect of trading and arises as a result of funds raised from the tenants which may be used to purchase additional land in the future or returned to the tenants depending on the circumstances.

3 The Surplus for the Year is after charging:

	<u>1996</u>	<u>1995</u>
	£	£
Audit	860	800
Accountancy	<u>100</u>	<u>100</u>
	<u>960</u>	<u>900</u>

SHARDELOES TENANTS LIMITED

NOTES TO THE ACCOUNTS AS AT 31ST MARCH 1996 Continued

4 FIXED ASSETS

	£	£	
(a) Freehold at cost		39,705	
Less Received from Tenants		<u>39,705</u>	
		<u>-</u>	
(b) Furniture and Fittings, cost 31.3.95		5,120	
Additions during the year		<u>-</u>	
		5,120	
Accumulated Depreciation, 31.3.95	3,014		
Depreciation for the year	<u>526</u>		
Accumulated Depreciation, 31.3.96	<u>3,540</u>	<u>3,540</u>	
<u>Unamortized costs at 31.3.96</u>		<u>1,580</u>	
(c) Garden Equipment, cost 31.3.95		5,889	
Additions during the year		<u>-</u>	
		5,889	
Accumulated Depreciation 31.3.95	2,978		
Depreciation for the year	<u>728</u>		
Accumulated Depreciation 31.3.96	<u>3,706</u>	<u>3,706</u>	
<u>Unamortized Cost at 31.3.96</u>		<u>2,183</u>	
<u>SUMMARY</u>	<u>31.3.96</u>	<u>31.3.95</u>	
	£	£	
Furniture and Fittings, Cost	5,120	5,120	
Accumulated Depreciation	<u>3,540</u>	<u>3,014</u>	
<u>Unamortized Cost</u>	<u>1,580</u>	<u>2,106</u>	
Garden Equipment, Cost	5,889	5,889	
Accumulated Depreciation	<u>3,706</u>	<u>2,978</u>	
<u>Unamortized Cost</u>	<u>2,183</u>	<u>2,911</u>	
<u>Unamortized Cost</u>			
	<u>Furniture</u>	<u>Garden</u>	<u>Total</u>
	<u>& Fittings</u>	<u>Equipment</u>	<u></u>
	£	£	£
Net Book Value 31.3.96	<u>1,580</u>	<u>2,183</u>	<u>3,763</u>
Net Book Value 31.3.95	<u>2,106</u>	<u>2,911</u>	<u>5,017</u>

SHARDELOES TENANTS LIMITED

NOTE TO THE ACCOUNTS AS AT 31ST MARCH 1996 Continued

- 5 This amount represents a provision for the year ended 31.3.96 and is payable on the 1st January 1997.

6 SHARE CAPITAL

Authorised and Issued Share Capital

	<u>1996</u>	<u>1995</u>
24 'A' Shares of £1 each	24	24
34 'B' Shares of 10p each	<u>-</u>	<u>3</u>
	<u>24</u>	<u>27</u>

7 GENERAL RESERVE

	<u>1996</u> £	<u>1995</u> £
Balance as at 1.4.95/94	9,740	7,046
<u>Add</u> Surplus for the year	<u>7,128</u>	<u>2,694</u>
	16,868	9,740
<u>Add</u> Share Capital refunded to company	<u>3</u>	<u>-</u>
Balance as at 31.3.96/95	<u>16,871</u>	<u>9,740</u>

8 CAPITAL RESERVE

Land Premium on sale of garages	<u>5,500</u>	<u>5,500</u>
---------------------------------	--------------	--------------

- 9 Opening Shareholders Equity as at 1.4.95/94 15,267 12,573
Add Movement during the year
 Surplus per note 7 7,128 2,694
 Closing Shareholders Equity 22,395 15,267

- 10 The company employs two people, a man and his wife as full time caretakers to manage the property.

	<u>1996</u>	<u>1995</u>
Number of employees per week	<u>2</u>	<u>2</u>

SHARDELOES TENANTS LIMITED

AUDITOR'S REPORT TO THE MEMBERS

We have audited the financial statements on pages 3 to 8 which have been prepared under the historical cost convention and the accounting policies set out on page 6.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As described on page 1, the company's directors are responsible for the preparation of the 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 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

Subject to the above in my opinion the financial statements which have been prepared under the historical cost convention give a true and fair view of the state of the company's affairs at 31 March 1996 and of the income and expenditure for the year ended on that date and comply with the Companies Act 1985.

Dr R K Ashton
.....
Dr R K Ashton
Registered Auditor
Chartered Accountant
14 Woodside Close
Amersham
Bucks HP6 5EG

23rd May 1996
.....
Date