

1051860

VALIANT HOUSE
(MANAGEMENT) LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

24 JUNE 2001

DIRECTORS

: D J Andrews
A J B Mawdsley
W F Richards
K S Lucas
P G Madoc-Jones
B G Leigh-Mason
S M Brown



SECRETARY

: A J B Mawdsley

COMPANY NUMBER

: 1051860 registered in England and Wales.

REGISTERED OFFICE

: 4 Plantagenet Road, New Barnet, Hertfordshire, EN5 5JQ.

AUDITORS

: Gallagher & Brocklehurst, Chartered Accountants,
4 Plantagenet Road, New Barnet, Hertfordshire, EN5 5JQ.

SOLICITORS

: Russell-Cooke Potter and Chapman,
2 Putney Hill, Putney, London, SW15 6AB

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VALIANT HOUSE (MANAGEMENT) LIMITED

SCHEDULE OF UNPAID MAINTENANCE

FOR THE YEAR ENDING 24 JUNE 2001

AMOUNT OUTSTANDING

<u>Flat No</u>	<u>Owner's Surname</u>	<u>At 24-Jun-01</u>	<u>At 29 August 2001</u>
7	McGill	0.00	1,300.00
10	Hilton	0.00	1,300.00
43	Wood	1,300.00	0.00
59	Hattat	3,800.00	5,100.00
68	Lodge	0.00	1,300.00
70	Hart	0.00	1,300.00
82	Mclusky	1,300.00	0.00
92	Bowyer	0.00	1,300.00
93	Gorbenka	7.00	1,307.00
<u>Car Space</u>			
9	Hilton	0.00	30.00
10	McGill	0.00	30.00
20	Wood	30.00	0.00
54	Lodge	0.00	30.00
57	Bowyer	0.00	30.00
74	Gorbenka	2.00	32.00
90	Mclusky	30.00	0.00
102	Hattat	90.00	120.00
<u>Motor cycle bays</u>			
5	Dorny	25.00	0.00
9	Symington	8.58	8.58
<u>Late payment charges recoverable</u>			
2	Alkabanni	30.97	30.97
5	Hackforth-Jones	12.52	12.52
10	Hilton	17.13	17.13
18	Sarreo	14.17	14.17
32	Dhandsa	12.52	12.52
38	Chalkley & Swan	12.52	12.52
43	Wood	81.43	0.00
52	Patsons Invest Co Ltd.	14.17	14.17
54	Menon	14.17	14.17
59	Hattat	521.55	600.24
67	Ticktum	25.70	25.70
68	Lodge	21.74	21.74
70	Hart	44.04	44.04
78	Walker	14.17	14.17
81	Dhandsa	14.17	14.17
82	Mclusky	71.81	59.63
85	Considine	12.18	12.18
93	Gorbenka	95.88	95.88
94	Patel	14.17	14.17
96	Madoc-Jones	14.83	14.83
<u>Recoverable expenses</u>			
59	Hattat	71.41	71.41
70	Hart	881.25	0.00
86	Dixon	121.50	121.50

PER BALANCE SHEET

£ 8,726.58

STILL OUTSTANDING AT 29 AUGUST 2001

£ 14,425.41

The amounts outstanding at 24 June 2001 exclude the levy notes due in advance at that date.

These are included in the amount outstanding at 29 August 2001.

VALIANT HOUSE (MANAGEMENT) LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 24 JUNE 2001

The directors present herewith their report and the financial statements for the year ended 24 June 2001:-

Results

Surplus of income on ordinary activities after taxation	85,448
Less: extraordinary costs	41,587
Decrease ^{increase} in reserve for the financial year	43,861
Reserves, brought forward	11,234
Reserve per balance sheet	<u>£ 55,095</u>

Directors and their interests

The company's directors, who served the company throughout the year except as noted, are set out below. All directors were members of the company.

M H Swan	(retired - 2 October 2000)
A J B Mawdsley	
K S Lucas	
D J Andrews	
P G Madoc-Jones	
B G Leigh-Mason	
W F Richards	
S M Brown	(appointed - 2 October 2000)

Principal activity

The company continued to manage the company known as Valiant House, Vicarage Crescent, London, SW11 through their agents, Kinleigh Folkard and Hayward.

Business review

The directors regard as satisfactory the state of the affairs at the balance sheet date, the company being a non-profit making organisation, as it has sufficient reserves in hand at the year end.

Auditors

Gallagher & Brocklehurst, Chartered Accountants, 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 financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and in accordance with the Financial Reporting Standard for Smaller Entities ("FRSSE"), which became effective in March 2000.

Dated: 7 September 2001

4 Plantagenet Road
New Barnet
Hertfordshire
EN5 5JQ

BY ORDER OF THE BOARD



A J B MAWDSLEY
Secretary

VALIANT HOUSE (MANAGEMENT) LIMITED

DIRECTORS' RESPONSIBILITIES AND REPORT OF THE AUDITORS

FOR THE YEAR ENDED 24 JUNE 2001

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 the affairs of the company and of the profit or loss of the company for that year.

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 responsible and prudent, and prepare the financial statements on a going concern basis unless it is inappropriate to assume that the company will continue in business.

The directors are also 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' report to the members of Valiant House (Management) Limited

We have audited the financial statements on page 2 to 9, which have been prepared in accordance with the FRSSE, which became effective in March 2000, under the historical cost convention and the accounting policies set out on page 6.

Respective responsibilities of directors and auditors

As described above 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 financial 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 and 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 the 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 at 24 June 2001 and of its result for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985.

Dated: 7 September 2001

GALLAGHER & BROCKLEHURST
4 Plantagenet Road
New Barnet
Hertfordshire
EN5 5JQ

Gallagher & Brocklehurst

CHARTERED ACCOUNTANTS
AND REGISTERED AUDITORS

VALIANT HOUSE (MANAGEMENT) LIMITED

INCOME AND EXPENDITURE ACCOUNT RESERVE

FOR THE YEAR ENDING 24 JUNE 2001

		2001		2000	
	(Note	£	£	£	£
<u>INCOME</u> , being maintenance due from residents:					
Flats			270,400		249,600
Car spaces			6,240		6,240
Motor cycle bays			93		0
TOTAL MAINTENANCE INCOME			276,733		255,840
<u>NET OPERATING EXPENSES</u>					
Porterage	(6)	37,206		32,926	
Insurance		7,569		8,507	
Electricity		7,577		8,973	
Central heating and hot water costs		29,018		24,869	
Metered water rates		13,572		12,120	
Cleaning, refuse disposal and paladin hire		14,098		15,881	
Lift maintenance and repairs		11,745		13,614	
Video door entry system		8,988		7,869	
Gardening contractors		8,245		8,359	
Gardening sundries - plants and tree surgery		2,846		8,323	
Repairs	(7)	33,205		39,862	
Sundries	(8)	3,873		3,787	
Audit fee		2,938		2,938	
Accountancy, tax and registration work		588		588	
Management fees		15,886		13,141	
Professional fees	(9)	2,793		2,639	
			200,147		204,396
OPERATING SURPLUS OF INCOME			76,586		51,444
<u>OTHER OPERATING INCOME</u>	(10)		11,128		22,337
SURPLUS OF INCOME ON ORDINARY ACTIVITIES BEFORE TAXATION			87,714		73,781
<u>TAXATION</u>	(1)		2,266		4,587
SURPLUS OF INCOME ON ORDINARY ACTIVITIES AFTER TAXATION			85,448		69,194
<u>EXTRAORDINARY COSTS</u>	(11)		41,587		281,479
INCREASE OR -DECREASE- IN RESERVE FOR THE FINANCIAL YEAR			43,861		-212,285
RESERVE, brought forward			11,234		223,519
RESERVE PER BALANCE SHEET, per page 5			£ 55,095		£ 11,234

There are no recognised gains or losses in the year other than those shown above and all operations continued .

VALIANT HOUSE (MANAGEMENT) LIMITED

BALANCE SHEET

AS AT 24 JUNE 2001

	(Note)	2001		2000	
		£	£	£	£
CURRENT ASSETS					
Debtors					
Tenants' maintenance arrears, per page 1			8,727		2,255
Insurance claims receivable			0		1,746
Prepayments and sundry debtors			6,960		16,982
			<u>15,687</u>		<u>20,983</u>
Building society deposit accounts		92,515		102,354	
Treasury and bank deposit account		1,862		3,250	
Bank balance on deposit with managing agent	(2)	5,856		54,971	
			<u>100,233</u>		<u>160,575</u>
TOTAL ASSETS			<u>£ 115,920</u>		<u>£ 181,558</u>
Funded by:					
LIABILITIES					
Capital and reserves					
Called-up share capital	(3)		0		0
Income and expenditure account reserve, per page 4			55,095		11,234
			<u>55,095</u>		<u>11,234</u>
Shareholders' funds					
Creditors: amounts falling due within one year:					
Maintenance received in advance		1,530		23,490	
Corporation tax		7,065		7,497	
Social security and other taxes		364		342	
Expense creditors and accruals		51,866		138,995	
			<u>60,825</u>		<u>170,324</u>
TOTAL FUNDS EMPLOYED			<u>£ 115,920</u>		<u>£ 181,558</u>

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and in accordance with the FRSSE, which became effective in March 2000.

APPROVED BY THE BOARD ON 7 SEPTEMBER 2001


D J ANDREWS

Director

VALIANT HOUSE (MANAGEMENT) LIMITED

NOTES ON THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 24 JUNE 2001

1 ACCOUNTING POLICIES

These financial statements have been prepared under the historical cost convention and in accordance with the FRSSE, which became effective in March 2000. In particular:-

- (a) The income and expenditure account on page 4 is a statement of a maintenance income received and expenses paid during the year except that:-
 - Maintenance and other income due from the flats and car spaces is the total due for the year and not the amount received during the year.
 - Expenses, which were unpaid at the year end due to the invoices not having been rendered at the balance sheet date are included.
 - Only substantial expense prepayments at the balance sheet date, are carried forward into the next accounting year.
 - Late payment levies are included on all known late payments for the year to 24 June 2001.
- (b) As last year all additions and improvements in the building and its facilities have been written off directly to the income and expenditure account as "extraordinary costs".
- (c) The company has no turnover as it is a mutual trading entity.
- (d) Rentals under operating and finance leases have been charged to the income and expenditure account as annual rentals, which is on a straight line basis. Assets held under finance lease contracts are not capitalised in the balance sheet due to 1(b) above and have consequently been included in the summary of future financial commitments (see note 5 page 7).
- (e) The company continues to be a mutual trading entity and taxation is only due on its investment income. Last year, it was reported that the Revenue are seeking to change the basis of taxation on deposit interest and the directors thought it prudent to provide for tax at the higher rate of 34% although it was only charged at 20%. This matter has still not been clarified to the satisfaction of the board and they therefore consider it prudent to continue to provide for this taxation at 34% of the investment income. Value Added Tax is neither chargeable on the residents' maintenance levies nor recoverable from the Value Added Tax paid on expenses. The company has no deferred taxation liability.
- (f) The company pays no directors' remuneration.

VALIANT HOUSE (MANAGEMENT) LIMITED

NOTES ON THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 24 JUNE 2001

2. BANK BALANCE ON DEPOSIT WITH MANAGING AGENT

Valiant House's managing agent, Kinleigh Folkard & Hayward, collects monies, pay expenses and hold the balance as trustee for the company in their client's bank deposit account.

3. CALLED-UP SHARE CAPITAL

There is no authorised or issued share capital of the company because the company is limited by guarantee as per Section 5 of the Company's Memorandum, which states that members undertake to contribute a maximum of £1 each to the assets of the company in the event of its being wound up while they are members or within one year after any members ceases to be so. The membership is defined under Sections 3 and 7 of the Company's Articles of Association.

4. CONTINGENT LIABILITIES AND CAPITAL COMMITMENTS

There were no capital commitments for or authorised by the Board nor contingent liabilities at the balance sheet date.

5. FUTURE FINANCIAL COMMITMENTS

At the balance sheet date the company had annual commitments under operating and finance lease contract for the video door entry system, inclusive of VAT, which is assumed to remain at the same rate, which expire;

	<u>2001</u>	<u>2000</u>
(a) Within one year	9,040	9,040
(b) Within the second to fifth year	36,158	36,158
(c) After more than five years	56,055	67,795
 TOTAL LEASE PAYMENTS OUTSTANDING	 £ <u>101,253</u>	 £ <u>112,993</u>

VALIANT HOUSE (MANAGEMENT) LIMITED

NOTES ON THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 24 JUNE 2001

	2001	2000
	£	£
6. <u>PORTERAGE</u>		
Gross pay, including employers social security costs	17,540	14,803
Rent	13,000	11,500
Maintenance levies	2,600	2,400
Telephone - standard costs (net of deductions)	600	456
Telephone - mobile phone costs	429	464
Electricity	87	197
Stand-by porter's costs	1,995	2,546
Council tax	445	308
Personal accident insurance	265	252
Porters flat repairs	230	0
Sundry portorage	15	0
PER INCOME AND EXPENDITURE ACCOUNT	£ 37,206	£ 32,926
7. <u>REPAIRS</u>		
Boiler, plumbing, drainage and heating	20,184	19,663
Launderette	0	276
Car park entry barrier	981	53
Electrical	1,234	2,750
Subject to insurance claims	528	4,744
Buildings structures (walls, doors, etc.)	5,564	5,887
Gates, fencing, paving and walkways	113	1,008
Signs	698	65
Roof	218	1,046
Irrigation system	518	314
Plasterwork as a result of redecorations deemed to be repairs	0	3,709
Fire fighting equipment - contract and service	700	347
PER INCOME AND EXPENDITURE ACCOUNT	£ 33,205	£ 39,862
8. <u>SUNDRIES</u>		
Directors' telephone, annual general meeting and other sundry costs	245	89
Registrar of Companies filing fee	15	15
P.L.A. rent	155	153
Pest control	2,187	2,073
Photocopying costs	756	988
Printing of annual financial statements	250	250
Television aerial and satellite TV costs	265	219
PER INCOME AND EXPENDITURE ACCOUNT	£ 3,873	£ 3,787

VALIANT HOUSE (MANAGEMENT) LIMITED

NOTES ON THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 24 JUNE 2001

	2001	2000
	£	£
9. <u>PROFESSIONAL FEES</u>		
Legal fees	1,128	811
Debt collection costs	300	535
Surveyors fees and plans	420	118
Pipework corrosion testing	0	1,175
Lift consultants fees	945	0
PER INCOME AND EXPENDITURE ACCOUNT	£ 2,793	£ 2,639

10. <u>OTHER OPERATING INCOME</u>		
Treasury, bank and other interest received, gross	1,540	945
Interest received, gross, from building society	5,126	12,547
Launderette receipts	2,694	3,063
Insurance claims received	528	4,744
Repair costs recovered	204	0
Late payment charges received from residents	1,006	620
Debt collection costs recovered	0	418
Sale of duplicate keys	30	0
PER INCOME AND EXPENDITURE ACCOUNT	£ 11,128	£ 22,337

11. <u>EXTRAORDINARY COSTS</u>		
Roof repairs	11,031	10,350
Managing agents fee on the above	411	1,372
Internal redecorations	8,791	206,075
Managing agents fee on the above	0	20,445
Lift door gear replacement	0	27,730
Consultancy fee on the above	0	1,589
Landscaping works	689	5,000
Aerial system adaption for digital TV	9,785	0
Roof door redecoration	811	0
Carpeting	660	1,264
Provision for irrecoverable claims due to failure of Insurance Company	990	0
Disabled ramps	0	748
Electrical works	0	3,789
Automatic watering system addition	0	522
Replace door closers	5,012	2,728
Drainage replacement - car park	0	3,143
Motor cycle bays	795	0
Legal fees - 1/3 Battersea Square	5,122	4,559
Legal fees - provision for appeal	0	1,500
Prior year item - Over provision for roofing works	-2,510	0
Prior year item - Overcharged electricity charges	0	-5,335
Prior year item - Estimated over charge for water	0	-4,000
PER INCOME AND EXPENDITURE ACCOUNT	£ 41,587	£ 281,479