

SOUTH LODGE MANAGEMENT (MITCHAM) LIMITED

Statement of accounts

for the year ended

31st December 2006

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COMPANIES HOUSE

Slater Maidment

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SOUTH LODGE MANAGEMENT (MITCHAM) LIMITED**DIRECTORS' REPORT**

The directors present their report and statement of accounts for the year ended 31st December 2006

Activities and business review

The company maintains and manages the communal land and access ways of the estate known as Hillview, South Lodge Avenue, Mitcham in the London Borough of Merton. Expenditure incurred is recoverable from members by way of service charges, the company does not seek to make a profit.

Results

The deficit of income over expenditure for the year amounted to £6,257 reducing reserves, which are not available for distribution to the members, to £12,581.

Directors and their interests

The directors during the year were as follows

M E Barron
C. A. Gardner
T D Graves
A C Borg

Each director had an interest in one 'A' ordinary share throughout the year.

Statement of directors' responsibilities

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to 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 judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- prepare the financial statements on the 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 that disclose with reasonable accuracy at any time the financial position of the company and 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.

SOUTH LODGE MANAGEMENT (MITCHAM) LIMITED

DIRECTORS' REPORT (CONTINUED)

Disclosure of information to auditors

The directors confirm that so far as they are aware, there is no relevant audit information of which the company's auditors are unaware. They have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Auditors

The auditors, Slater Maidment, have indicated their willingness to continue in office, and a resolution proposing their re-appointment will be considered at the next Annual General Meeting.

Small companies exemptions

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

BY ORDER OF THE BOARD

A handwritten signature in black ink, appearing to read 'A C Borg', written over a horizontal dotted line.

A C BORG
DIRECTOR

Dated 24th October 2007

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF SOUTH LODGE MANAGEMENT (MITCHAM) LIMITED

We have audited the financial statements of South Lodge Management (Mitcham) Limited for the year ended 31st December 2006 set out on pages 4 to 6. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted practice) are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Directors' Report is consistent with the financial statements.

In addition we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding director's remuneration and other transactions is not disclosed.

We read the Directors' Report and consider the implication for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) 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 judgments 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 information in the financial statements.

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, of the state of the company's affairs as at 31st December 2006 and of its deficit for the year then ended,
- the financial statements have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the Director's Report is consistent with the financial statements.

Slater Maidment

LONDON

Dated 24th October 2007

SLATER MAIDMENT
Chartered Accountants and
Registered Auditors

SOUTH LODGE MANAGEMENT (MITCHAM) LIMITED
INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED
31ST DECEMBER 2006

	Notes	£	2006 £	£	2005 £
Service charges receivable			7,170		7,150
Net ground rent receivable			205		205
Bank interest receivable			<u>262</u>		<u>202</u>
			7,637		7,557
Deduct:					
Management fees		4,734		4,685	
Estate repairs and maintenance		5,957		382	
Garden maintenance		1,700		2,183	
Insurance		350		368	
Secretarial and legal fees		227		881	
Telephone, postage and stationery		80		60	
Audit fees		823		670	
Annual return filing fees		30		30	
Sundry expenses		22		20	
Bad debts		<u>-</u>	<u>13,923</u>	<u>(49)</u>	<u>9,230</u>
DEFICIT ON ORDINARY ACTIVITIES BEFORE TAXATION			(6,286)		(1,673)
Taxation	2		<u>29</u>		<u>(29)</u>
DEFICIT ON ORDINARY ACTIVITIES AFTER TAXATION FOR THE FINANCIAL YEAR			(6,257)		(1,702)
Balance brought forward from previous year			<u>18,838</u>		<u>20,540</u>
FUTURE EXPENDITURE RESERVE CARRIED FORWARD			<u>£12,581</u>		<u>£18,838</u>

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the above two financial years

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the deficit for the above two financial years

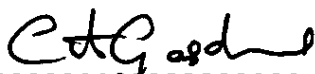
SOUTH LODGE MANAGEMENT (MITCHAM) LIMITED

BALANCE SHEET AT 31ST DECEMBER 2006

	Notes	£	2006 £	£	2005 £
CURRENT ASSETS					
Debtors					
Trade debtors			3,712		2,849
Other debtors			<u>2,392</u>		<u>2,191</u>
			6,104		5,040
Cash at bank and in hand			<u>8,892</u>		<u>15,895</u>
			14,996		20,935
CREDITORS amounts falling due within one year					
Corporation tax		-		29	
Other creditors		<u>2,315</u>	<u>2,315</u>	<u>1,968</u>	<u>1,997</u>
NET CURRENT ASSETS BEING TOTAL ASSETS LESS CURRENT LIABILITIES			£ <u>12,681</u>		£ <u>18,938</u>
CAPITAL AND RESERVES					
Called up share capital	3		100		100
Future expenditure reserve			<u>12,581</u>		<u>18,838</u>
SHAREHOLDERS' FUNDS	4		£ <u>12,681</u>		£ <u>18,938</u>

These accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and the Financial Reporting Standard for Smaller Entities (effective January 2005)

Approved by the Board on 24th October 2007



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C A GARDNER
DIRECTOR

SOUTH LODGE MANAGEMENT (MITCHAM) LIMITED

NOTES FORMING PART OF THE ACCOUNTS

31ST DECEMBER 2006

1 Accounting policies

Basis of accounting

The accounts have been prepared on the basis of historical cost and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005)

2 Taxation

The credit for taxation comprises the reversal of the 2005 provision for corporation tax on interest received which is no longer required

3 Share capital

2006 and 2005

Authorised, allotted and fully paid

32 'A' shares of £2 each

72 'B' shares of 50p each

64

36

£100

Neither class of share carries any right to distributions by way of dividend or on a winding-up of the company

Holders of 'A' shares are entitled to vote at all General Meetings of the company. Holders of 'B' shares may only vote on any resolution altering the share capital, the rights conferred by shares, Memorandum or Articles of Association, or for selling or winding-up the company

4 Reconciliation of movements in shareholders' funds

2006

2005

£

£

Shareholders' funds at 1st January 2006

18,938

20,640

Deficit for the year

(6,257)

(1,702)

Shareholders' funds at 31st December 2006

£12,681

£18,938

In accordance with the company's Memorandum of Association the shareholders' funds shown above are not distributable