

Registrar of Companies

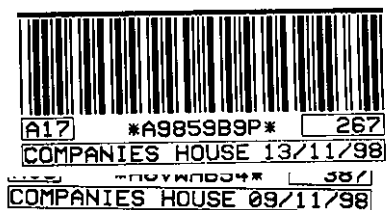
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**HAWKSDOWN ESTATE (WALMER)
LIMITED**

**Balance Sheet
- and -
Accounts**

31 March 1998

CHANNIRPY VILLIACOTT



HAWKSDOWN ESTATE (WALMER) LIMITED

Report Of The Directors For The Year Ended 31 March 1998

Directors

Mrs E Thomas
Captain E Mutter
Mrs V Gibson
P Yerbury
C Wood
A E Hibbert
Mrs T C Ashley

Secretary

A E Hibbert

Registered Office

7 Dane John, Canterbury, Kent, CT1 2QS

Registered Number

01328396

The Directors present their report and accounts for the year ended 31 March 1998.

Principal activities

The principal business of the company is the management of the roads and verges of Hawksdown, Walmer, Kent.

Directors' responsibilities

Company law requires us to prepare 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, we 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 the going concern basis unless it is inappropriate to presume that the company will continue in business.

We are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and enable us to ensure that the financial statements comply with the Companies Act 1985. We 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.

HAWKSDOWN ESTATE (WALMER) LIMITED

Report Of The Directors For The Year Ended 31 March 1998

Directors

There have been no other changes in the Board of Directors during the year. The Directors retiring by rotation and in accordance with the articles of association are Mrs V Gibson and Mr A E Hibbert who being eligible, offer themselves for re-election.

Directors' interests in shares

The following were the interests of the Directors in the ordinary shares of the company as at 1 April 1997 and 31 March 1998.

	1 April 1997	31 March 1998
Mrs E Thomas	1	1
Captain E Mutter	1	1
Mrs V Gibson	1	1
P Yerbury	1	1
C Wood	1	1
A E Hibbert	1	1
Mrs T C Ashley	1	1

Issue of shares

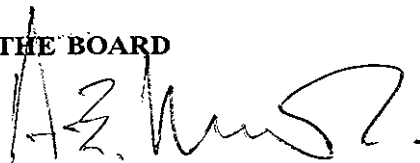
During the year the final two shares were issued completing the total of 54 houseowners on the Estate.

Auditors

Chantrey Vellacott have indicated their willingness to continue as auditors of the company, and a resolution to re-appoint them will be proposed at the Annual General Meeting.

BY ORDER OF THE BOARD

A E Hibbert
Secretary



22 October 1998

HAWKSDOWN ESTATE (WALMER) LIMITED

Report Of The Auditors For The Year Ended 31 March 1998

Auditors' Report to the Members of Hawksdown Estate (Walmer) Limited

We have audited the financial statements on pages 4 to 6 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 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 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 of the state of the company's affairs as at 31 March 1998 and of the profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.


CHANTREY VELLACOTT

**Chartered Accountants
Registered Auditors**

7 Dane John

CANTERBURY, Kent

CT1 2QS

22 October 1998

HAWKSDOWN ESTATE (WALMER) LIMITED

Income And Expenditure Account For The Year Ended 31 March 1998

	1998		1997	
	£	£	£	£
Income				
Subscriptions receivable		2,700		2,678
Easement Received "Donnington"		250		-
Bank Interest (Gross)	479		443	
Less: Corporation Tax @ 21%	(101)		(106)	
		378		337
		<u>3,328</u>		<u>3,015</u>
Expenditure				
Estate Maintenance	752		3,741	
Auditors' Remuneration	309		235	
Professional Fees	44		-	
Insurance	260		243	
Printing and Postage	49		55	
Company Annual Return	15		18	
Hire of Hall	17		20	
		1,446		4,312
Profit/(Loss) for the year		<u>1,882</u>		<u>(1,297)</u>
Accumulated surplus brought forward		<u>8,893</u>		<u>10,190</u>
Accumulated surplus carried forward		<u><u>£10,775</u></u>		<u><u>£8,893</u></u>

HAWKSDOWN ESTATE (WALMER) LIMITED

Balance Sheet As At 31 March 1998

	£	1998 £	£	1997 £
Current assets				
Debtors and Prepayments		33		32
Cash at Bank:-				
Current Account	965		458	
Capital Reserve Account	-		6,092	
Capital Reserve Account	-		3,197	
High Interest Business Account	10,668		-	
		11,633		9,747
		11,666		9,779
Current liabilities				
Subscriptions prepaid	-		25	
Creditors - amounts falling due within one year	351		341	
		(351)		(366)
Net assets		£11,315		£9,413

Represented by:

	Authorised	Allotted Issued and fully paid	Allotted Issued and fully paid
Capital and reserves			
Called up share capital			
Ordinary shares of £10 each	£600	540	520
Accumulated surplus		10,775	8,893
		£11,315	£9,413

These accounts were approved by the Board of Directors on 22 October 1998.

MRS E THOMAS - Director

Elizabeth Thomas

HAWKSDOWN ESTATE (WALMER) LIMITED

Notes To The Financial Statements For The Year Ended 31 March 1998

1 Accounting policies

a) Basis of accounting

The financial statements are prepared on the historical cost basis of accounting whereby items are recorded at the values at the dates when the assets were acquired, the liabilities incurred or the capital obtained.

2 Freehold title

The company has vested in it the freehold title in the roads and verges of Hawksdown. No formal valuation of this asset has been carried out and the Directors are of the opinion that no value can be attached thereto.