

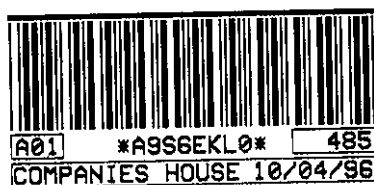
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BASIL MANSIONS MANAGEMENT COMPANY LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

25 MARCH 1995

Company Registration No. 1339500



**Saffery Champness**

CHARTERED ACCOUNTANTS

BASIL MANSIONS MANAGEMENT COMPANY LIMITED  
(A COMPANY LIMITED BY GUARANTEE NOT HAVING A SHARE CAPITAL)

REPORT OF THE COUNCIL  
FOR THE YEAR ENDED 25 MARCH 1995

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MEMBERS OF THE COUNCIL RESPONSIBILITIES

Company law requires the council members 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, the council members 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.

The council members 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.

RESULTS AND REVIEW OF THE BUSINESS

The principal activity of the company is to regulate, control the use of and maintain the property and building known as Basil Mansions, London, SW3.

The company does not operate for profit. Expenditure amounted to £114,271.92 which is recoverable from the freeholder and lessees of the flats in the covenanted proportions. Net interest receivable of £3,975.95 has been transferred to the provision for major repairs and replacements.

LIABILITY OF MEMBERS

The liability of each member in respect of the undertaking to contribute to the assets of the company is limited to any amount not exceeding £1.

COUNCIL

The following were Members of Council during the year:-

T D Camblin  
E J Kisala

BASIL MANSIONS MANAGEMENT COMPANY LIMITED  
(A COMPANY LIMITED BY GUARANTEE NOT HAVING A SHARE CAPITAL)

REPORT OF THE COUNCIL (Continued)  
FOR THE YEAR ENDED 25 MARCH 1995

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AUDITORS

A resolution to re-appoint Saffery Champness as auditors and to authorise the Council to fix their remuneration will be proposed at the Annual General Meeting.

By Order of the Council



R Benton  
Secretary

Fairfax House  
Fulwood Place  
Gray's Inn  
London WC1V 6UB

25 March 1996

BASIL MANSIONS MANAGEMENT COMPANY LIMITED

AUDITORS' REPORT

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We have audited the financial statements on pages 4 to 7.

RESPECTIVE RESPONSIBILITIES OF MEMBERS OF THE COUNCIL AND AUDITORS

As described in the members of the council's report on page 1, the company's council members 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 council members 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 affairs of the company as at 25 March 1995 and of its result for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



SAFFERY CHAMPNESS

Chartered Accountants  
Registered Auditors  
Fairfax House  
Fulwood Place  
Gray's Inn  
London WC1V 6UB

25 March 1996

## BASIL MANSIONS MANAGEMENT COMPANY LIMITED

INCOME AND EXPENDITURE ACCOUNT  
FOR THE YEAR ENDED 25 MARCH 1995

	Note	1995	1994
CONTRIBUTIONS RECOVERABLE	1(b)	114,271.92	98,862.13
Staff costs	2	22,941.96	22,179.97
Operating expenses		73,182.79	63,721.51
Administrative expenses	3	18,147.17	12,960.65
		-----	-----
		(114,271.92)	(98,862.13)
		-----	-----
OPERATING RESULT		-	-
Interest receivable		5,301.28	6,875.50
		-----	-----
EXCESS OF INCOME OVER EXPENDITURE BEFORE TAXATION		5,301.28	6,875.50
Taxation	4(a)	(1,325.33)	(1,718.89)
		-----	-----
		3,975.95	5,156.61
Transfer to provision for major repairs and replacements	5	(3,975.95)	(5,156.61)
		-----	-----
RETAINED SURPLUS/(DEFICIT)		£Nil	£Nil
		===	===

The notes on Pages 6 to 7 form part of these financial statements.

There are no recognised gains or losses other than the result for the year.

## BASIL MANSIONS MANAGEMENT COMPANY LIMITED

BALANCE SHEET  
25 MARCH 1995

	Note	1995	1994
<b>CURRENT ASSETS</b>			
Debtors:			
Contributions due		-	22,871.91
Other debtors	6	2,367.27	1,255.08
Prepayments		6,988.75	5,912.63
		-----	-----
		9,356.02	30,039.62
Bank balances :-			
Deposit accounts		230,014.98	129,467.03
Cash in hand		10.00	10.00
		-----	-----
		230,024.98	129,477.03
		-----	-----
		239,381.00	159,516.65
<b>CREDITORS</b>			
Amounts falling due within one year:			
Operating creditors		149,251.97	30,495.09
Corporation tax		1,434.67	1,914.24
Contributions received in advance		84,709.87	3,095.69
		-----	-----
		235,396.51	35,505.02
		-----	-----
		£3,984.49	£124,011.63
		=====	=====
<b>PROVISION FOR LIABILITIES AND CHARGES</b>			
Major repairs and replacements	5	3,780.07	123,697.86
Deferred taxation	4(b)	204.42	313.77
		-----	-----
		£3,984.49	£124,011.63
		=====	=====

Approved by the Council on 25 March 1996



T D Camblin

Member of  
the Council

The notes on Pages 6 to 7 form part of these financial statements.

## BASIL MANSIONS MANAGEMENT COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 25 MARCH 1995

## 1 ACCOUNTING POLICIES

## a) Basis of accounting

The financial statements have been prepared under the historical cost convention.

## b) Contributions recoverable

These represent amounts recoverable under the covenants entered into by the company with the freeholder and lessees of flats sold on leases expiring 28 September 2052.

## c) Provision for major repairs and replacements

The provision is created by charging to expenditure the sums considered necessary to produce the amounts required to carry out future major repairs and replacements. To this is added interest earned net of corporation tax payable.

Items of expenditure are charged against the specific provision in the year incurred, to the extent that provision has been made.

## d) Deferred taxation

Deferred taxation is provided under the liability method on all short term timing differences at the rate ruling at the balance sheet date.

## e) Interest receivable

Interest on bank deposits is accounted for on the accruals basis; interest receivable on service charge arrears is brought to credit when received.

## f) Cash flow statements

The company has adopted Financial Reporting Standard No. 1 - "Cashflow Statements". As defined by the Standard, the company is a small reporting entity, and, as such, is exempt from the requirement to include a cash flow statement as part of the financial statements.

2 STAFF COSTS	1995	1994
Wages	21,709.46	21,070.97
Social Security costs	1,232.50	1,109.00
	-----	-----
	£22,941.96	£22,179.97
	=====	=====

The company employed 2 persons (1994: 2) throughout the year.

No remuneration was payable to Members of the Council in respect of their services to the company (1994: Nil).

## BASIL MANSIONS MANAGEMENT COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Continued)  
FOR THE YEAR ENDED 25 MARCH 1995

3 ADMINISTRATIVE EXPENSES	1995	1994
Managing agents' fees	10,528.00	10,528.00
Auditors' remuneration	2,220.75	2,232.50
Other professional fees	5,398.42	200.15
	-----	-----
	£18,147.17	£12,960.65
	=====	=====
4 TAXATION		
a) Charge for the year		
Corporation tax based on interest received in the year at 25% (1994: 25%)	1,434.67	1,914.24
Transfer (from) deferred taxation	(109.35)	(195.37)
Underprovision in prior years	0.01	0.02
	-----	-----
	£1,325.33	£1,718.89
	=====	=====
b) Deferred taxation		
Corporation tax at 25% (1994: 25%) on interest receivable	£204.42	£313.77
	=====	=====
5 PROVISION FOR MAJOR REPAIRS AND REPLACEMENTS		
Balance at 26 March 1994	123,697.86	118,541.25
Interest received net of corporation tax payable	3,975.95	5,156.61
Transfer to income and expenditure account	(123,893.74)	-
	-----	-----
	£3,780.07	£123,697.86
	=====	=====
6 OTHER DEBTORS		
Expenditure recoverable from freeholder	1,549.59	-
Interest receivable	817.68	1,255.08
	-----	-----
	£2,367.27	£1,255.08
	=====	=====

## 7 COUNCIL MEMBERS' INTEREST IN CONTRACT

The Council members were also directors of DTZ Debenham Thorpe Limited during their service within the year. DTZ Debenham Thorpe Limited acted as managing agents during the year and their fees are calculated at the rate of £280 (1994: £280) plus VAT, per flat.



## BASIL MANSIONS MANAGEMENT COMPANY LIMITED

INCOME AND EXPENDITURE ACCOUNT  
FOR THE YEAR ENDED 25 MARCH 1995

	1995	1994
<b>INCOME</b>		
Amounts recoverable under the covenants entered into by the company with the freeholder and lessees of flats sold on leases expiring on 28 September 2052	£114,271.92 =====	£98,862.13 =====
<b>EXPENDITURE</b>		
<b>Heating costs</b>		
Fuel oil	-	12,110.16
Boiler maintenance	23,040.32	4,188.25
Major works re boiler	123,893.74	-
Charged to major repairs fund	(123,893.74) -----	- -----
	23,040.32	16,298.41
<b>Other running costs</b>		
Lift telephone	153.48	62.32
Lift maintenance and repairs	6,637.58	4,032.25
Window cleaning	192.00	192.00
Cleaning and cleaning materials	706.17	1,231.19
Electricity and electrical repairs	10,648.56	10,633.22
Entryphone	3,448.53	3,449.38
TV aerial rental	2,562.60	1,331.08
Staff wages and related costs	22,941.96	22,179.97
Staff accommodation:		
rent and rates	7,936.78	8,022.92
light and heat	482.85	464.33
telephone	1,174.84	826.51
Pest control	1,151.07	1,143.94
Sundry expenses	189.08	73.12
Fire protection	33.73 -----	23.58 -----
	58,259.23	53,665.81
Insurance	9,774.58	10,694.26
<b>Maintenance and repair</b>		
Internal	1,607.03	2,028.25
External	3,443.59 -----	3,214.75 -----
	5,050.62	5,243.00
Carried forward	96,124.75	85,901.48

BASIL MANSIONS MANAGEMENT COMPANY LIMITED

INCOME AND EXPENDITURE ACCOUNT (Continued)  
FOR THE YEAR ENDED 25 MARCH 1995

	1995	1994
Brought forward	96,124.75	85,901.48
Company costs		
Managing agents' fees	10,528.00	10,528.00
Auditors' remuneration	2,220.75	2,232.50
Other professional fees	5,398.42	200.15
	<u>18,147.17</u>	<u>12,960.65</u>
	<u>£114,271.92</u>	<u>£98,862.13</u>
	=====	=====
INTEREST RECEIVABLE		
Gross	5,301.28	6,875.50
Taxation	(1,325.33)	(1,718.89)
	<u>-----</u>	<u>-----</u>
Transfer to provision for major repairs and replacements	<u>£3,975.95</u>	<u>£5,156.61</u>
	=====	=====

The above information does not form part of the financial statements on which the auditors have reported.