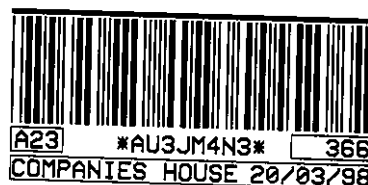


COMPANY NO 2465178

THE CROFT (NEW MALDEN)  
RESIDENTS ASSOCIATION LIMITED  
ACCOUNTS FOR THE YEAR ENDED  
24TH MARCH 1997

PRIDIE BREWSTER  
CHARTERED ACCOUNTANTS  
29-39 London Road  
Twickenham  
Middlesex TW1 3SZ

11 August 1997



**REPORT OF THE DIRECTORS**

The Directors present their report and the financial statements for the year ended 24th March 1997.

**PRINCIPAL ACTIVITY**

The principal activity is to supervise the management of the property at The Croft, Westbury Road, New Malden, for the mutual benefit of the Leaseholders.

<b>RESULTS</b>	<b>1997</b>	<b>1996</b>
Deficit for the year	(268)	(882)
Transfer from Provision - General Maintenance	(£268) <u>          </u>	(£882) <u>          </u>

**DIRECTORS**

The following held office as Directors during the year:

R W Conrad - (Resigned 21.8.96)	Miss L I Fell - (Appointed 8.8.96)
J S C Allen - (Resigned 8.8.96)	A M Barnes - (Appointed 21.2.97)
Miss S Spaans - (Resigned 1.7.96)	

Each Director holds one Share of £50 in the Company.

**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 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:

- a] select suitable accounting policies and then apply them consistently;
- b] make judgements and estimates that are reasonable and prudent;
- c] prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

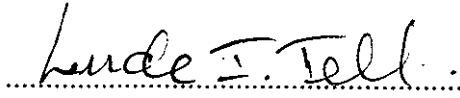
The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the Financial Statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**AUDITORS**

The Company is entitled to audit exemption under Section 249A(1) of the Companies Act 1985 although the financial statements have been audited.

The auditors, Pridie Brewster, Chartered Accountants, are willing to continue in office, and a motion for their re-appointment will be put before the Annual General Meeting.

**BY ORDER OF THE BOARD**

  
.....  
**LINDA IRENE FELL**  
**SECRETARY**

**REGISTERED OFFICE**

The Croft  
71 Westbury Road  
New Malden  
Surrey KT2 7AB

11 August 1997

**AUDITORS' REPORT TO THE MEMBERS OF THE CROFT (NEW MALDEN)  
RESIDENTS ASSOCIATION LIMITED**

We have audited the accounts on pages 4 to 7 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 in the Directors Report the company's directors are responsible for the preparation of accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts 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 accounts. It also includes an assessment of the significant estimates and judgments made by the directors in the preparation of the accounts, 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 accounts 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 accounts.

**Opinion**

In our opinion the accounts give a true and fair view of the state of the company's affairs as at 24th March 1997 and of its deficit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

29-39 London Road  
Twickenham  
Middlesex TW1 3SZ

  
PRIDIE BREWSTER  
CHARTERED ACCOUNTANTS  
REGISTERED AUDITORS

11 August 1997

## THE CROFT (NEW MALDEN) RESIDENTS ASSOCIATION LIMITED

4

## BALANCE SHEET AT 24TH MARCH 1997

	NOTE	1997	1996
<b>FIXED ASSETS</b>			
<b>TANGIBLE ASSETS</b>			
Head Lease, Subject to 11 Underleases, on The Croft, 71 Westbury Road, New Malden, Surrey			
		-	-
<b>CURRENT ASSETS</b>			
Debtors and Prepayments	2	474	1,416
Cash at Bank and in Hand		4,821	2,720
		<u>5,295</u>	<u>4,136</u>
<b>CREDITORS - due within one year</b>	3	<u>1,986</u>	<u>559</u>
<b>NET CURRENT ASSETS</b>		<u>3,309</u>	<u>3,577</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		3,309	3,577
<b>PROVISION FOR LIABILITIES</b>			
General Maintenance	4	<u>2,759</u>	<u>3,027</u>
<b>NET ASSETS</b>		<u><u>£550</u></u>	<u><u>£550</u></u>
<b>EQUITY SHAREHOLDERS FUNDS</b>			
Called up Share Capital			
Authorised Issued and Fully Paid			
11 Ordinary shares of £50 each	9	<u><u>£550</u></u>	<u><u>£550</u></u>

  
 .....  
 ANDREW MICHAEL BARNES - DIRECTOR

11 August 1997

**REVENUE ACCOUNT FOR THE YEAR ENDED  
24TH MARCH 1997**

	NOTE	1997	1996
<b>REVENUE</b>			
Ground Rents		1,200	1,200
Maintenance Contributions		4,409	3,675
Other Income			
- Interest		91	143
- Corporation Tax	5	(21)	(35)
		<u>5,679</u>	<u>4,983</u>
<b>EXPENDITURE</b>			
Head Rent		1,200	1,200
Maintenance of Property	6	3,697	3,589
Administrative Costs	7	1,050	1,076
		<u>5,947</u>	<u>5,865</u>
<b>OPERATING DEFICIT ON ORDINARY ACTIVITIES</b>		(268)	(882)
<b>TRANSFER FROM PROVISION</b>	4		
General Maintenance		<u>(£268)</u>	<u>(£882)</u>

All Gains and Losses for the year arise from continuing operations and have been recognised in the revenue account.

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 24TH MARCH 1997

## 1. ACCOUNTING POLICIES

- a) The Accounts are prepared under the historical cost convention.
- b) The Accounts are prepared in accordance with applicable accounting standards.
- c) The Company qualifies as a small Company under the requirements of Financial Reporting Standard 1 and therefore does not have to produce a cash flow statement.

2. DEBTORS AND PREPAYMENTS	1997	1996
Head Rent	-	1,200
Insurance premium prepaid	203	198
Maintenance contributions	271	-
Filing Fee	-	18
	<u>£474</u>	<u>£1,416</u>

## 3. CREDITORS - due within one year

Maintenance contributions	1,448	-
Electricity	15	15
Gardening	120	110
Bank Charges	29	-
Audit Fee	353	399
Corporation Tax	21	35
	<u>£1,986</u>	<u>£559</u>

## 4. PROVISION FOR LIABILITIES

	General Maintenance
At 25th March 1996	3,027
Transfer to Revenue Account	(268)
	<u>£2,759</u>
At 24th March 1997	<u>£2,759</u>

## 5. TAXATION

The Company is a mutual trading Company within the definition of Section 486 ICTA 1988. There is no liability to tax on income other than investment income which is charged to Corporation Tax at a rate of 24%. The Corporation Tax charged on Investment Income for the year is £21 (1996 £35).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED  
24TH MARCH 1997 *Continued*

6. MAINTENANCE OF PROPERTY	1997	1996
Gardening	1,461	1,159
Electricity	148	139
Light Bulbs	73	10
Cleaning	-	170
Insurance	900	871
General Repairs	368	1,240
Interior Redecorations	747	-
	<u>£3,697</u>	<u>£3,589</u>

## 7. ADMINISTRATIVE COSTS

Postage, Stationery, Telephone etc	1	21
Filing Fee	15	18
Audit Fee	352	399
Bank Charges	59	51
Managing Agents Fees	623	587
	<u>£1,050</u>	<u>£1,076</u>

## 8. TRANSACTIONS WITH RELATED PARTIES

In common with other members, each Director is a lessee of The Croft and a contributor to the running costs of the company.

## 9. EQUITY SHAREHOLDERS' FUNDS

## Reconciliation of movement in Shareholders' Funds

	1997	1996
Deficit of Income over Expenditure	(268)	(882)
Transfer from provision for liabilities	268	882
	<u>-</u>	<u>-</u>
Net Addition/(Reduction) in Shareholders' Funds	-	-
Opening Shareholders' Funds	550	550
	<u>£550</u>	<u>£550</u>
Closing Shareholders' Funds	<u>£550</u>	<u>£550</u>