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COMPANY NO 2465178

**THE CROFT (NEW MALDEN)
RESIDENTS ASSOCIATION LIMITED
ACCOUNTS FOR THE YEAR ENDED
24TH MARCH 1998**

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

10 August 1998



REPORT OF THE DIRECTORS

The Directors present their report and the financial statements for the year ended 24th March 1998.

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.

RESULTS	1998	1997
Surplus/(Deficit) for the year	185	(268)
Transfer to/(from) Provision - General Maintenance	£185	(£268)
	<u> </u>	<u> </u>

DIRECTORS

The following held office as Directors during the year:

Miss L I Fell - (Resigned 12.12.97)
A M Barnes

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.

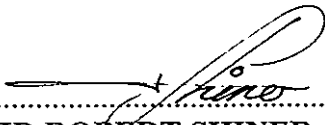
REPORT OF THE DIRECTORS (continued)

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



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DAVID ROBERT SHINER
SECRETARY

REGISTERED OFFICE

The Croft
71 Westbury Road
New Malden
Surrey KT2 7AB

10 August 1998

**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 1998 and of its surplus 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

10 August 1998

THE CROFT (NEW MALDEN) RESIDENTS ASSOCIATION LIMITED

4

BALANCE SHEET AT 24TH MARCH 1998

	NOTE	1998	1997
FIXED ASSETS			
TANGIBLE ASSETS			
Head Lease, Subject to 11 Underleases, on The Croft, 71 Westbury Road, New Malden, Surrey		-	-
CURRENT ASSETS			
Debtors and Prepayments	2	1,694	474
Cash at Bank and in Hand		2,348	4,821
		<u>4,042</u>	<u>5,295</u>
CREDITORS - due within one year	3	548	1,986
NET CURRENT ASSETS		<u>3,494</u>	<u>3,309</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		3,494	3,309
PROVISION FOR LIABILITIES			
General Maintenance	4	2,944	2,759
NET ASSETS		<u>£550</u>	<u>£550</u>
EQUITY SHAREHOLDERS FUNDS	9		
Called up Share Capital:			
Authorised Issued and Fully Paid			
11 Ordinary shares of £50 each		<u>£550</u>	<u>£550</u>


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ANDREW MICHAEL BARNES - DIRECTOR

10 August 1998

THE CROFT (NEW MALDEN) RESIDENTS ASSOCIATION LIMITED

5

**REVENUE ACCOUNT FOR THE YEAR ENDED
24TH MARCH 1998**

	NOTE	1998	1997
REVENUE			
Ground Rents		1,200	1,200
Maintenance Contributions		4,515	4,409
Other Income			
- Interest		100	91
- Corporation Tax	5	(21)	(21)
		<u>5,794</u>	<u>5,679</u>
EXPENDITURE			
Head Rent		1,200	1,200
Maintenance of Property	6	3,354	3,697
Administrative Costs	7	1,055	1,050
		<u>5,609</u>	<u>5,947</u>
OPERATING SURPLUS/(DEFICIT) ON ORDINARY ACTIVITIES		185	(268)
TRANSFER TO/(FROM) PROVISION	4		
General Maintenance		<u>£185</u>	<u>(£268)</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 1998

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	1998	1997
Head Rent	1,200	-
Insurance premium prepaid	214	203
Maintenance contributions	280	271
	<u>£1,694</u>	<u>£474</u>

3. CREDITORS - due within one year

Maintenance contributions	-	1,448
Electricity	15	15
Gardening	130	120
Bank Charges	29	29
Audit Fee	353	353
Corporation Tax	21	21
	<u>£548</u>	<u>£1,986</u>

4. PROVISION FOR LIABILITIES

General Maintenance

At 25th March 1997	2,759
Transfer from Revenue Account	185
	<u>£2,944</u>
At 24th March 1998	

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 21%. The Corporation Tax charged on Investment Income for the year is £21 (1997 £21).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
24TH MARCH 1998 Continued

6. MAINTENANCE OF PROPERTY	1998	1997
Gardening	1,904	1,461
Electricity	94	148
Light Bulbs	57	73
Cleaning	160	-
Insurance	941	900
General Repairs	198	368
Interior Redecorations	-	747
	<u>£3,354</u>	<u>£3,697</u>
7. ADMINISTRATIVE COSTS		
Postage, Stationery, Telephone etc.	24	1
Filing Fee	15	15
Audit Fee	352	352
Bank Charges	29	59
Managing Agents Fees	635	623
	<u>£1,055</u>	<u>£1,050</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		
	1998	1997
Surplus/(Deficit) of Income over Expenditure	185	(268)
Transfer to/(from) provision for liabilities	(185)	268
	<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>