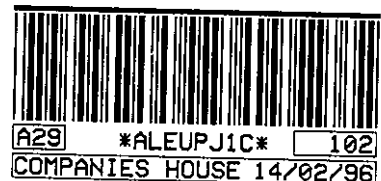


856480

THE BROOKFIELD FLATS COMPANY (GOSFORTH) LIMITED

REPORTS AND FINANCIAL STATEMENTS

30 SEPTEMBER 1995



WALKER JOHNSTON
Chartered Accountants and Registered Auditor
1 Station Road
Forest Hall
Newcastle upon Tyne
NE12 8AN

THE BROOKFIELD FLATS COMPANY (GOSFORTH) LIMITED

CONTENTS

	PAGE
DIRECTORS AND OFFICERS	1
DIRECTORS REPORT	2
AUDITORS REPORT	3
PROFIT AND LOSS ACCOUNT	4
BALANCE SHEET	5
NOTES TO THE ACCOUNTS	6-7
MAINTENANCE ACCOUNTS	8
MANAGEMENT INFORMATION	9-10

THE BROOKFIELD FLATS COMPANY (GOSFORTH) LIMITED

DIRECTORS AND OFFICERS

DIRECTORS

R Young
M M Biesterfield
D P Hudson

COMPANY SECRETARY

V Morris

COMPANY REGISTRATION NUMBER

856480

REGISTERED OFFICE

1 Station Road
Forest Hall
Newcastle upon Tyne
NE12 8AN

BANKERS

Lloyds Bank plc
High Street
Gosforth
Newcastle upon Tyne
NE3 1JQ

AUDITORS

Walker Johnston
Chartered Accountants
and Registered Auditor
1 Station Road
Forest Hall
Newcastle upon Tyne
NE12 8AN

THE BROOKFIELD FLATS COMPANY (GOSFORTH) LIMITED

DIRECTORS REPORT

The Directors have pleasure in submitting their Annual Report and Financial Statements of the company for the year ended 30 September 1995.

Principal activity

The principal activity of the company is that of property maintenance in respect of the 13 flats and 6 town houses. All properties are owner-occupied and the company is non-profit making.

Dividends

The Directors do not recommend the payment of a dividend.

Directors

The Directors who served during the year and their respective interests in the Ordinary Shares of the company were as follows:

	<u>30 September 1995</u>	<u>30 September 1994</u>
R Young	1	1
M M Biesterfeld	1	1
D P Hudson	1	1

Directors responsibilities

Company law requires the directors to prepare accounts 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 accounts, the directors are required to:

Select suitable accounting policies and then apply them consistently;

Make judgements and estimates that are reasonable and prudent;

Follow applicable accounting standards, subject to any material departures disclosed and explained in the accounts;

Prepare the accounts 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 accounts 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.

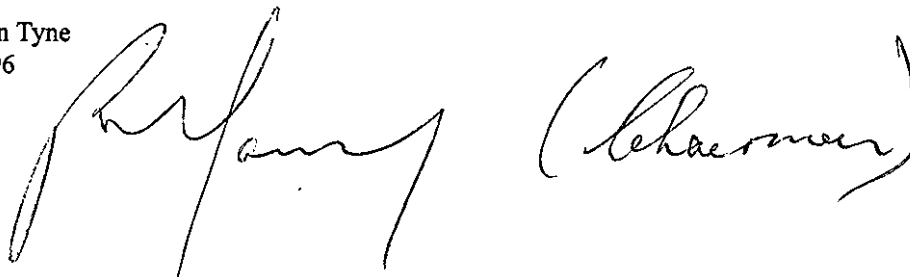
Auditors

In accordance with Section 385 (2) of the Companies Act 1985, a resolution proposing the re-appointment of Walker Johnston, Chartered Accountants and Registered Auditor, as Auditors of the company will be put to the Annual General Meeting.

BY ORDER OF THE BOARD

SECRETARY

Newcastle upon Tyne
16 January 1996

The block contains two handwritten signatures. The signature on the left is written in dark ink and appears to be 'R Young'. The signature on the right is also in dark ink and appears to be 'M M Biesterfeld'. Both signatures are written in a cursive, flowing style.

THE BROOKFIELD FLATS COMPANY (GOSFORTH) LIMITED

REPORT OF THE AUDITORS TO THE MEMBERS

We have audited the accounts on pages 4 to 7 which have been prepared under the historical cost convention and in accordance with the accounting policies set out on page 6.

Respective responsibilities of Directors and Auditors

As described on page 2 the company's directors are responsible for the preparation of the accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts and to report our opinion to you.

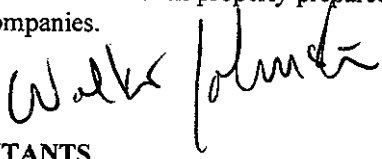
Basis of opinion

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 judgements 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 at 30 September 1995 and of its surplus for the year ended and have been properly prepared in accordance with the provisions of the Companies Act 1985 applicable to small companies.


WALKER JOHNSTON
CHARTERED ACCOUNTANTS
AND REGISTERED AUDITOR

1 Station Road
Forest Hall
Newcastle upon Tyne
NE12 8AN

17 January 1996

THE BROOKFIELD FLATS COMPANY (GOSFORTH) LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 30 SEPTEMBER 1995

	<u>Notes</u>	<u>1995</u> £	<u>1994</u> £
TURNOVER	2	20,687	16,218
Maintenance costs		<u>18,797</u>	<u>14,941</u>
OPERATING SURPLUS	3	1,890	1,277
Interest receivable	4	<u>110</u>	<u>37</u>
SURPLUS ON ORDINARY ACTIVITIES		2,000	1,314
Surplus/(Deficit) of income and expenditure brought forward		<u>612</u>	<u>(702)</u>
SURPLUS OF INCOME OVER EXPENDITURE CARRIED FORWARD		<u>2,612</u>	<u>612</u>

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

THE BROOKFIELD FLATS COMPANY (GOSFORTH) LIMITED

NOTES TO THE ACCOUNTS

YEAR ENDED 30 SEPTEMBER 1995

1 ACCOUNTING POLICIES

The following accounting policies have been used consistently in dealing with items which are considered material in relation to the financial statements of the company.

a) Basis of accounting

The accounts are prepared under the historical cost convention,

b) Cash flow statement

The company has taken advantage of the exemption in Financial Reporting Standard No 1 from producing a cash flow statement on the grounds that it is a small company.

2 TURNOVER

Turnover represents contributions received from the home owners.

3 OPERATING SURPLUS AFTER CHARGING:

	<u>1995</u>	<u>1994</u>
	£	£
Auditors remuneration	<u>235</u>	<u>200</u>

4 INTEREST RECEIVABLE

Bank interest	<u>110</u>	<u>37</u>
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5 DEBTORS

Prepayments and accrued income	<u>79</u>	<u>79</u>
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6 CREDITORS: AMOUNTS FALLING DUE
WITHIN ONE YEAR

Accruals	597	774
Other creditors	<u>5,307</u>	<u>5,252</u>
	<u>5,904</u>	<u>6,026</u>

THE BROOKFIELD FLATS COMPANY (GOSFORTH) LIMITED

NOTES TO THE ACCOUNTS

YEAR ENDED 30 SEPTEMBER 1995 (continued)

7 CALLED UP SHARE CAPITAL

<u>Authorised</u>	<u>1995</u>	<u>1994</u>
	£	£
19 Ordinary Shares of £1 each	<u>19</u>	<u>19</u>

Allotted

19 Ordinary Shares of £1 each	<u>19</u>	<u>19</u>
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8 CAPITAL COMMITMENTS

Contracts authorised but not contracted for at the balance sheet date	<u>NIL</u>	<u>NIL</u>
Contracts contracted for at the balance sheet date	<u>NIL</u>	<u>NIL</u>

9 CONTINGENT LIABILITIES

There were no contingent liabilities at the balance sheet date.