

REGISTERED OFFICE

12 Bridge House
Woodbury Park Road
TUNBRIDGE WELLS
Kent TN4 9NJ

DIRECTORS

R C Saunders - Chairman (appointed 1.2.99)
P R Carpenter
Mrs E B Goymer
Mrs R A Wood

SECRETARY

Mrs E B Goymer (resigned 1.2.99)
P R Carpenter (appointed 1.2.99)

REPORT AND ACCOUNTS

31st January 2000

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DIRECTORS' REPORT

For the year ended 31st January 2000

The directors submit their report together with the unaudited financial statements for the year ended 31st January 2000.

DIRECTORS' STATEMENT

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 result for that year. 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 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 DIVIDENDS

The profit on the ordinary activities of the company before taxation amounted to £1,629. After deducting taxation, the profit of £1,549 has been transferred to amounts due to lessees.

The directors do not recommend a dividend.

PRINCIPAL ACTIVITY AND BUSINESS REVIEW

It is the object of the company to be non-profit making and therefore only to generate sufficient funds from leaseholders (who are also members) to meet maintenance and repair costs as and when they become necessary to maintain the property in good order.

Service charges received from lessees amounted to £7,200 (1999 : £6,450 in the year and net expenditure after interest was £5,650 (1999 : £8,323). The company will continue to operate as a going concern in the next period.

DIRECTORS' REPORT (continued)
For the year ended 31st January 2000

DIRECTORS AND THEIR INTERESTS

The directors who served during the year and their interests in the share capital of the company were as follows:

	Ordinary shares of £1 each	
	<u>2000</u> No.	<u>1999</u> No.
P R Carpenter	10	10
R C Saunders	10	10
Mrs E B Goymer	10	10
Mrs R Wood	10	10

MILLENNIUM ISSUE

The directors have considered the impact of the Millennium issue on their business and report that the company's computers and related equipment were not affected by it, nor do they consider there to be any further related costs with dealing with the Millennium issue.

By Order of the Board



P R Carpenter
Secretary

06-06-00

PROFIT AND LOSS ACCOUNT

For the year ended 31st January 2000

	<u>Note</u>		<u>1999</u> (as restated)
TURNOVER	2	7200	6450
Administrative and maintenance costs		(5969)	8795
OPERATING SURPLUS/(DEFICIT)		1231	(2395)
Interest receivable	3	398	598
SURPLUS/(DEFICIT) ON ACTIVITIES for the year before taxation		1629	(1797)
Taxation	4	(80)	(126)
SURPLUS/(DEFICIT) for the year		1549	(1923)
DUE TO LESSEES BROUGHT FORWARD		2972	4895
DUE TO LESSEES CARRIED FORWARD	8	£ 4521	£ 2972

All amounts relate to continuing activities.

There have been no recognised gains or losses, other than the results for the financial year, and all surpluses or deficits have been accounted for on an historical cost basis.

The notes on pages 5 to 7 form part of these financial statements.

BALANCE SHEET

As at 31st January 2000

	<u>Notes</u>		<u>1999</u> (as restated)
FIXED ASSETS			
Tangible fixed assets	6	8917	8917
CURRENT ASSETS			
Debtors	7	1082	982
Cash at bank and in hand		18973	15533
		20055	16515
CREDITORS : Amounts falling due within one year	8	(5309)	(3769)
NET CURRENT ASSETS		14746	12746
TOTAL ASSETS LESS CURRENT LIABILITIES		23663	21663
PROVISION FOR LIABILITIES AND CHARGES			
Other provisions	9	(14003)	(12003)
		£ 9660	£ 9660
CAPITAL AND RESERVES			
Share capital	10	160	160
Non-distributable reserves	11	9500	9500
EQUITY SHAREHOLDERS' FUNDS	12	£ 9660	£ 9660

In the directors' opinion the company was entitled under Section 249A(1) of the Companies Act 1985 to exemption from the audit of its accounts for the year ended 31st January 2000. No notice from members requiring an audit has been deposited under Section 249B(2) of the Companies Act 1985 in relation to its accounts for the financial year.

The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with Section 221 and for preparing accounts which give a true and fair view of the state of affairs of the company as at 31st January 2000 and of its profit for the year then ended in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Companies Act 1985 relating to accounts, so far as applicable to the company.

These accounts were approved by the board on

P R Carpenter

R C Saunders

Directors

The notes on pages 5 to 7 form part of these financial statements.

06-06-00

P.R. Carpenter

R.C. Saunders

NOTES TO THE FINANCIAL STATEMENTS
As at 31st January 2000

1. PRINCIPAL ACCOUNTING POLICIES

- a) Accounting convention
The financial statements have been prepared under the historical cost convention.
- b) Turnover
Turnover represents the total income received from leaseholders in respect of ground rents and maintenance contributions.
- c) Depreciation
It is the company's policy to maintain the freehold buildings in such condition that their value as a whole is not impaired by the passage of time. The costs of such maintenance are charged against profits each year. The directors consider that any diminution in value of the property is so small that the provision for depreciation would be immaterial. Freehold buildings, therefore, are depreciated at nil%. The directors will continue to review this situation.

2. TURNOVER

The turnover and operating surplus/(deficit) for the year was derived from the company's principal activity and was carried out wholly in the UK.

3. INTEREST RECEIVABLE	<u>2000</u>	<u>1999</u>
Deposit interest receivable	£ 398	£ 598

4. TAX ON PROFIT/(LOSS) ON ORDINARY ACTIVITIES

Based on the profit/(loss) for the year:

UK corporation tax at 20% (1999 : 21%)	£ 80	£ 126
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5. PRIOR YEAR ADJUSTMENT

- a) An amount had historically been provided towards meeting future external decorating. However, this type of provision is no longer permitted under the terms of Financial Reporting Standard 12. Therefore, in order to comply with this new legislation, amounts due from lessees and the deferred maintenance provision amounting to £463 have been written back by way of a prior year adjustment.
- b) The issued share capital was increased by 9 ordinary shares of £1 in 1997 but no account was taken in the financial statements in the year concerned. Consequently the additional issued share capital has been shown by way of a prior year adjustment.

NOTES TO THE FINANCIAL STATEMENTS (continued)
As at 31st January 2000

6. TANGIBLE FIXED ASSETS

Freehold land
& buildings

COST

At 1st February 1999

8917

At 31st January 2000

£ 8917

NET BOOK VALUE

At 31st January 2000

£ 8917

At 31st January 1999

£ 8917

ANALYSIS OF FREEHOLD LAND AND BUILDINGS

	<u>Land</u>	<u>Buildings</u>	<u>Total</u>
Cost	£ 4458	£ 4459	£ 8917

7. DEBTORS

2000

1999

Prepayments and accrued income

£ 1082

£ 982

8. CREDITORS : Amounts falling due within one year

Corporation tax

80

126

Other creditors

5173

3592

Accruals

56

51

£ 5309

£ 3769

'Other creditors' includes £4,522 (1999 : £2,972) relating to amounts repayable to lessees.

9. PROVISION FOR LIABILITIES AND CHARGES

Sinking fund

£ 14003

£ 12003

In accordance with the lease, when a dwelling is sold by a lessee, an element of the sale proceeds is payable into the sinking fund. This fund is for the purpose of future major repair work. The £2,000 increase in the year relates to the element of the sale proceeds of Flat No.3.

NOTES TO THE FINANCIAL STATEMENTS (continued)
As at 31st January 2000

10. SHARE CAPITAL	<u>2000</u>	<u>As restated</u> <u>1999</u>
Authorised:		
160 ordinary shares of £1 each (1999 : 160)	£ 160	£ 160
Allotted and fully paid:		
160 ordinary shares of £1 each (1999 : 160)	£ 160	£ 160
11. NON DISTRIBUTABLE RESERVES		
In order to finance the acquisition of the Freehold Property, certain shareholders made loans to the company, which have been reclassified as Non Distributable Revenue.		
12. RECONCILIATION OF THE MOVEMENT IN SHAREHOLDERS' FUNDS		
	<u>2000</u>	<u>As restated</u> <u>1999</u>
Surplus/(deficit) for the financial year	1549	(1923)
Transferred to lessees accounts	(1549)	1923
	-	-
Opening shareholders' funds as originally stated	151	160
Prior year adjustment	9	-
Closing shareholders' funds	£ 160	£ 160
13. RELATED PARTY TRANSACTIONS		
All income originated from the shareholders. No one person has control of the company.		