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2024708

EMERY HILL RESIDENTS LIMITED
FINANCIAL STATEMENTS
FOR THE
YEAR ENDED 30 SEPTEMBER 1996

ROBERT TAYLOR ASSOCIATES
Chartered Accountants
Standbrook House
2-5 Old Bond Street
London W1X 3TB



EMERY HILL RESIDENTS LIMITED
INDEX TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 1996

Page

1 - 2	Directors' Report
3	Auditors' Report
4	Balance Sheet
5	Income and Expenditure Account
6 - 8	Notes to the Accounts

Registered Office:	Robert Taylor Associates Standbrook House 2-5 Old Bond Street London W1X 3TB
Company Number:	2024708

EMERY HILL RESIDENTS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 30 SEPTEMBER 1996

The directors present their report and the financial statements for the year ended 30 September 1996.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare 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:

- 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 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.

PRINCIPAL ACTIVITY

The company was formed for the purpose of acquiring and managing the freehold interest in 160-186A Ashley Gardens, Emery Hill Street, London SW1.

The company is a non-profit making body and as such does not have distributable reserves nor does it vote dividends.

EMERY HILL RESIDENTS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 30 SEPTEMBER 1996 (continued)

DIRECTORS

The directors who served during the year and their beneficial interests in the company's issued ordinary share capital were:

	<u>Number of Shares</u>	
	<u>30.09.96</u>	<u>1.10.95</u>
Mrs P M Nightingale	329	329
A L Gillibrand	162	162
H E Levy	302	302
J V Davies	289	289
Lady Spencer	254	254
Mrs S L O'Sullivan	380	380

AUDITORS

The auditors, Robert Taylor Associates, will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

This report, which has been prepared taking advantage of the exemptions conferred by Part II of Schedule 8 to the Companies Act 1985, was approved by the board on 28 November 1996 and signed on its behalf.

Mrs P M Nightingale
Secretary *P. M. Nightingale*

AUDITORS' REPORT TO THE SHAREHOLDERS OF EMERY HILL RESIDENTS LIMITED

We have audited the financial statements on pages 4 to 8 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 on page 1 the company's directors are responsible for the preparation of the 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 the 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 directors 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.

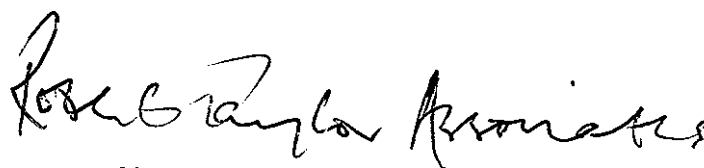
Under the terms of the Deeds of Regrant, there is no mandatory requirement for the creation of a sinking fund in order to provide for future liabilities and charges. As a matter of prudence however, a provision has been made in these financial statements to take account of future commitments but we are unable to state whether or not the provision is adequate in the light of the company's obligations towards redecoration or replacement. Our opinion is not qualified in this respect.

Opinion

In our opinion, the financial statements give a true and fair view of the state of the company's affairs as at 30 September 1996 and of its results for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985 applicable to small companies.

Robert Taylor Associates
Standbrook House
2-5 Old Bond Street
London W1X 3TB

Date: 28 November 1996



Chartered Accountants

Registered Auditor

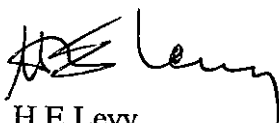
EMERY HILL RESIDENTS LIMITED

BALANCE SHEET AT 30 SEPTEMBER 1996

	<u>Notes</u>	£	£	<u>1995</u>	
				£	£
CURRENT ASSETS					
Debtors	4	3,901		4,333	
Cash at bank		80,124		76,487	
		<u>84,025</u>		<u>80,820</u>	
CREDITORS FALLING DUE WITHIN ONE YEAR	5	<u>15,715</u>		<u>43,379</u>	
NET CURRENT ASSETS			68,310		37,441
PROVISION FOR LIABILITIES AND CHARGES	6		<u>68,223</u>		<u>37,356</u>
NET ASSETS			<u>87</u>		<u>85</u>
Representing:					
CAPITAL AND RESERVES					
Called up share capital	7		87		85
SHAREHOLDERS' FUNDS	10		<u>87</u>		<u>85</u>

The directors have taken advantage, in the preparation of these financial statements, of the exemptions available under Part 1 of Schedule 8 to the Companies Act 1985, on the grounds that the company qualifies as a small company by virtue of Section 247 of the Companies Act 1985.

The financial statements were approved by the board on 28 November 1996 and signed on its behalf.



H E Levy
Director

EMERY HILL RESIDENTS LIMITED

**INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 30 SEPTEMBER 1996**

	£	£	<u>1995</u>	
			£	£
TURNOVER				
Service charges to leaseholders		85,000		86,000
PROPERTY MAINTENANCE COSTS				
Porterage and cleaning	19,488		18,804	
Lift	2,898		3,292	
Building	4,462		5,782	
Insurance	16,907		18,455	
		(43,755)		(46,333)
SURPLUS OF TURNOVER OVER PROPERTY MAINTENANCE COSTS		41,245		39,667
ADMINISTRATIVE EXPENSES				
Management fee	5,177		5,463	
Solicitors' costs	1,175		1,334	
Audit and professional fees	2,191		2,144	
Bank charges and interest	100		156	
Sundry expenses	302		160	
		(8,945)		(9,257)
OTHER INTEREST RECEIVABLE		989		390
CORPORATION TAX ON INTEREST RECEIVABLE		(243)		(97)
Transfer to sinking fund account		(28,000)		(28,000)
SERVICE CHARGE SURPLUS PAYABLE TO LEASEHOLDERS		5,046		2,703

There were no recognised gains and losses for 1996 or 1995 other than those included in the income and expenditure account.

EMERY HILL RESIDENTS LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 SEPTEMBER 1996

1 ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements are prepared under the historical cost convention and include the results of the company's operations which are described in the Directors' Report and all of which are continuing.

The company has taken advantage of the exemption in Financial Reporting Standard No. 1 from the requirement to produce a cashflow statement on the grounds that it is a small company.

1.2 Turnover

Income represents service charges receivable for the year in respect of the management of 160-186A Ashley Gardens, Emery Hill Street.

1.3 Interest Received

Interest arising on monies deposited with the bank is accounted for on a receipts basis.

1.4 Ground Rents

Although the leases make provision for the payment of ground rents to the company as freeholder, no ground rents have been accounted for in these accounts, since these amounts are receivable by the company as bare trustee for the participating lessees.

1.5 Corporation Tax

Any surplus arising in relation to leaseholders' service charges is exempt from taxation. No such exemption applies to investment income; corporation tax is provided on gross income received.

2 SERVICE CHARGE SURPLUS

This is stated after charging:

	£	<u>1995</u> £
Auditors remuneration	500	500

3 TAXATION

Corporation tax has been provided at 24.5% (1995: 25%) on interest received.

EMERY HILL RESIDENTS LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 SEPTEMBER 1996

4 DEBTORS

		<u>1995</u>
	£	£
Other debtors	2,795	3,161
Prepayments	1,106	1,172
	<u>3,901</u>	<u>4,333</u>

5 CREDITORS

		<u>1995</u>
	£	£
The amounts falling due within one year:		
Other creditors	12,191	39,419
Taxation and social security	1,173	1,591
Accruals	2,351	2,369
	<u>15,715</u>	<u>43,379</u>

6. PROVISION FOR LIABILITIES AND CHARGES

	£	<u>1995</u>
		£
The movements are as follows:		
Balance at beginning of year	37,356	94,227
Transfer from Income and Expenditure account	28,000	28,000
Interest received on sinking fund account	3,798	5,974
Corporation tax provision	(931)	(1,494)
Transfer from sinking fund	-	(89,351)
	<u>68,223</u>	<u>37,356</u>

The sinking fund account represents the amount retained as reasonably necessary for the purpose of providing for any non-annually recurring future major expenditure.

EMERY HILL RESIDENTS LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 SEPTEMBER 1996

7 CAPITAL AND RESERVES

	£	<u>1995</u> £
Authorised: 10,070 Ordinary shares of 1p	100.70	100.70
	<u> </u>	<u> </u>
Issued: 8,739 Ordinary shares of 1p	87.39	85.24
	<u> </u>	<u> </u>

- 215 Ordinary shares of 1p each were issued during the year for the nominal value of £2.15.

8 FUTURE COMMITMENTS AND POST BALANCE SHEET EVENTS

The company had not contracted at balance sheet date for any financial commitments other than those relating to the usual servicing of the building.

9 DIRECTORS EMOLUMENTS

No emoluments were paid to the directors during the year.

10 MOVEMENT ON SHAREHOLDERS' FUNDS

	£	<u>1995</u> £
Opening shareholders' funds	85	79
New share capital subscribed	2	6
	<u> </u>	<u> </u>
Closing shareholders' funds	87	85
	<u> </u>	<u> </u>