

Company number: 2024708

EMERY HILL RESIDENTS LIMITED

ACCOUNTS

30 September 1998



Report of the Directors

The directors present their annual report and the audited accounts of the company for the year ended 30 September 1998

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 result 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 judgments and estimates that are reasonable and prudent and 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 continued to own the freehold reversion of and to manage the property at 160-186A Ashley Gardens, Emery Hill Street, London SW1.

RESULTS AND REVIEW

The company is a non-profit making body and as such it does not have distributable reserves nor does it vote dividends. The results for the year are as set out on page 4. The directors recommend the transfer of £12,141 from premises maintenance reserve. They consider the results and the year end financial position to be satisfactory.

DIRECTORS

The directors throughout the year and their beneficial interests in the shares of the company were as follows:-

	Ordinary shares	
	30. 9.98	30. 9.97
Mrs P M Nightingale	329	329
A L Gillibrand	162	162
H E Levy	302	302
J V Davies (resigned 29.1.98)	289	289
Lady Spencer	254	254
Mrs S L O'Sullivan	380	380
Mrs Helen Smith (appointed 29.1.98)	302	302

continued/.....

EMERY HILL RESIDENTS LIMITED

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Report of the directors (continued)

This report has been prepared in accordance with the special provisions relating to small companies within Part VII of the Companies Act 1985

By order of the Board

P M NIGHTINGALE (MRS)
Secretary

P. M. Nightingale

Dated: 11 January 1999

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 and in accordance with the Financial Reporting Standard for Smaller Entities.

Respective responsibilities of directors and auditors

As described on page 1 the company's directors are responsible for the preparation of 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 a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates 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.

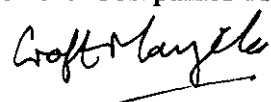
We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement whether caused by fraud or other irregularity 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 maintenance reserve 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 1998 and of its income and expenditure for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985 applicable to small companies.

33 Marloes Road
Kensington
London W8 6LG


CROFT MAY & CO
Chartered Accountants
Registered Auditors

Dated: 11 January 1999

EMERY HILL RESIDENTS LIMITED

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Income and expenditure account
for the year ended 30 September 1998

	1998	1997
	£	£
TURNOVER (note 2)	85,000	85,000
Net operating expenses (note 3)	(100,191)	(80,716)
OPERATING (DEFICIT)/SURPLUS (note 4)	(15,191)	4,284
Interest received (note 1)		
General account	1,381	-
Maintenance reserve account	4,696	-
Interest on service charge arrears	443	-
(DEFICIT)/SURPLUS ON ORDINARY ACTIVITIES BEFORE TAXATION	(8,671)	9,169
Tax on investment income (note 5)	(1,276)	(1,099)
(DEFICIT)/SURPLUS ON ORDINARY ACTIVITIES AFTER TAXATION	(9,947)	8,070
Transfer(to)/from premises maintenance reserve (note 10)	12,141	(1,243)
SERVICE CHARGE SURPLUS PAYABLE TO LEASEHOLDERS	£2,194	£6,827

The notes on pages 6 to 8 form part of these financial statements.

EMERY HILL RESIDENTS LIMITED

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Balance Sheet
at 30 September 1998

	£	1998 £	£	1997 £
CURRENT ASSETS				
Debtors (note 6)	6,471		2,846	
Cash at bank with managing agents	86,007		80,323	
	<u>92,478</u>		<u>83,169</u>	
CREDITORS: amounts falling due within one year (note 7)	<u>35,063</u>		<u>13,616</u>	
NET CURRENT ASSETS		57,415		69,553
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>£57,415</u>		<u>£69,553</u>
CAPITAL AND RESERVES				
Called up share capital (note 8)		90		87
Premises maintenance reserve (note 10)		57,325		69,466
		<u>£57,415</u>		<u>£69,553</u>

These accounts have been prepared in accordance with the special provisions relating to small companies within Part VII of the Companies Act 1985.

Approved by the board on 11 January 1999
and signed on its behalf by

Director


H E LEVY

The notes on pages 6 to 8 form part of these financial statements.

Notes to the accounts
at 30 September 1998

1 ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities.

Fixed assets

The company owns the freehold reversion of 160-186 Ashley Gardens London, SW1. It was acquired at no cost to the company.

Cash flow statement

The company is exempt from the requirement to prepare a cash flow statement as it is a small company as defined by section 247 of the Companies Act 1985.

Interest received

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

Ground Rents

Although the leases make provision for the payment of ground rent 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.

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 TURNOVER

Turnover represents service charges to leaseholders in respect of the management of 160-186A Ashley Gardens, Emery Hill Street, and is wholly attributable to continuing operations.

3 NET OPERATING EXPENSES

	1998	1997
	£	£
Establishment expenses	90,081	72,116
Administrative expenses	10,110	8,600
	<u>£100,191</u>	<u>£80,716</u>

4 OPERATING DEFICIT/SURPLUS

	1998	1997
	£	£
This is stated after charging:-		
Auditors' remuneration	<u>1,975</u>	<u>2,256</u>

EMERY HILL RESIDENTS LIMITED

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Notes to the accounts (continued)
at 30 September 1998

5 TAX ON INVESTMENT INCOME	1998	1997
	£	£
The tax charge is based on interest received for the year at 21% (1997: 22.5%)	<u>1,276</u>	<u>1,099</u>
6 DEBTORS	1998	1997
	£	£
Service charge arrears	-	1,761
Other debtors - insurance claims	2,340	-
Prepayments	1,131	1,085
Deposit Westminster Council	3,000	-
	<u>£6,471</u>	<u>£2,846</u>
7 CREDITORS: amounts falling due within one year	1998	1997
	£	£
Service charges in advance	6,644	74
Service charge surplus payable to leaseholders	2,194	6,827
Other creditors - regrant and ground rent	3,422	1,310
Corporation tax	1,276	1,099
Accruals and deferred income	21,527	4,306
	<u>£35,063</u>	<u>£13,616</u>
8 CALLED UP SHARE CAPITAL	1998	1997
	£	£
Authorised: 10,070 ordinary shares of 1p each	<u>100.70</u>	<u>100.70</u>
Issued, called up and fully paid 9,041 ordinary shares of 1p each	<u>90.41</u>	<u>87.39</u>

By resolution dated 10 September 1998,
302 Shares of 1p each were allotted at par value for cash

Notes to the accounts (continued)
at 30 September 1998

9 TANGIBLE FIXED ASSET

The company owns the freehold reversion of 160-186A Ashley Gardens, Emery Hill, London, SW1. It was acquired at no cost to the company as the acquisition was funded by members personally.

10 PREMISES MAINTENANCE RESERVE	1998	1997
	£	£
Transfer from income and expenditure account	28,000	28,000
Interest received on maintenance reserve account	4,696	3,831
Corporation tax provision	(986)	(862)
Transfer to income and expenditure account for major works	(43,851)	(29,726)
	<u>(12,141)</u>	<u>1,243</u>
At 1 October 1997	69,466	68,223
	<u>£57,325</u>	<u>£69,466</u>
At 30 September 1998		

11 DIRECTORS' INTERESTS IN TRANSACTIONS

All of the directors, hold leases in 160-186A Ashley Gardens and therefore have interests in transactions with the company insofar as the service charges on their flats are concerned.