

EMERY HILL RESIDENTS LIMITED

FINANCIAL STATEMENTS

30 SEPTEMBER 2002



PHILIP HUDSON & CO
Chartered Accountants
89 Chiswick High Road
London W4 2EF

Company number: 2024708

EMERY HILL RESIDENTS LIMITED

DIRECTORS REPORT

The directors present their annual report with the financial statements of the company for the year ended 30 September 2002. In their opinion the company is exempt from audit.

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 £29,964 to 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	
	<u>30.09.02</u>	<u>30.09.01</u>
H E Levy	302	302
Mrs P M Nightingale	329	329
Lady Spencer	254	254
Mrs S L O'Sullivan	318	318
Mrs S Hamilton	267	267
A C Dunachie	185	-
Mrs J R Davies (appointed 4.3.02)	289	289

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:

- 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.

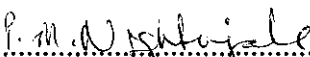
EMERY HILL RESIDENTS LIMITEDDIRECTORS REPORT(CONTINUED)

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and which 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.

SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985 and with the Financial Reporting Standard for Smaller Entities.

By order of the Board


.....
P M NIGHTINGALE
Secretary

40 Great Smith Street
London
SW1P 3BU

16 December 2002

EMERY HILL RESIDENTS LIMITEDACCOUNTANTS REPORTFOR THE YEAR ENDED 30 SEPTEMBER 2002

As described on the balance sheet you are responsible for the preparation of the accounts for the year ended 30 September 2002 set out on pages 4 to 8 and you consider that the company is exempt from an audit and a report under section 249A(1) of the Companies Act 1985. In accordance with your instructions, we have compiled these unaudited accounts in order to assist you to fulfil your statutory responsibilities, from the accounting records and information and explanations supplied to us.



Philip Hudson & Co
Chartered Accountants
89 Chiswick High Road
London W4 2EF

31 December 2002

EMERY HILL RESIDENTS LIMITED
INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 30 SEPTEMBER 2002

	<u>Notes</u>	<u>2002</u> £	<u>2001</u> £
TURNOVER	(2)	91,840	90,000
Net operating expenses	(3)	(63,070)	(122,161)
OPERATING SUPPLUS/(DEFICIT)		28,770	(32,161)
Interest receivable			
General account		454	1,085
Maintenance reserve account		2,976	4,488
SURPLUS/(DEFICIT) ON ORDINARY ACTIVITIES BEFORE TAXATION		32,200	(26,588)
Tax on investment income	(4)	(1,166)	(557)
SURPLUS/(DEFICIT) ON ORDINARY ACTIVITIES AFTER TAXATION		31,034	(27,145)
Transfer (to)/from premises maintenance reserve	(9)	(29,964)	19,876
SERVICE CHARGE SURPLUS/(DEFICIT) PAYABLE TO/(BY) LEASEHOLDERS		£ 1,070	£ (7,269)

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

EMERY HILL RESIDENTS LIMITEDBALANCE SHEETAT 30 SEPTEMBER 2002

	<u>Notes</u>	<u>2002</u>	<u>2001</u>
		£	£
CURRENT ASSETS			
Debtors	(5)	1,816	10,084
Cash at bank with managing agents		138,314	103,514
		<u>140,130</u>	<u>113,598</u>
CREDITORS: amounts falling due within one year	(6)	10,366	13,798
NET CURRENT ASSETS		<u>129,764</u>	<u>99,800</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>£ 129,764</u>	<u>£ 99,800</u>
		=====	=====
CAPITAL AND RESERVES			
Called up share capital	(7)	96	96
Premises maintenance reserve	(9)	129,668	99,704
		<u>£ 129,764</u>	<u>£ 99,800</u>
		=====	=====

In the directors' opinion the company is entitled to the exemption from audit conferred by subsection 1 of section 249A of the Companies Act 1985 for the year ended 30 September 2002.

The directors confirm that no notice under Section 249B (2) of the Companies Act 1985 requiring an audit has been deposited by members.

The directors confirm that they are responsible for :

- ensuring that the company keeps accounting records which comply with the requirements of section 221 of the Companies Act 1985, and
- preparing accounts which give a true and fair view of the state of affairs of the company as at 30 September 2002 and of its results for the period then ended in accordance with the requirements of section 226 of the Companies Act 1985, and which otherwise comply with the requirements of the Act relating to accounts, so far as applicable to the company.

In preparing these accounts the directors have complied with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities.

The accounts were approved by the board on 16 December 2002 and signed on its behalf by

A C DUNACHIE
DIRECTOR

The notes on pages 6 and 8 form an integral part of these financial statements.

EMERY HILL RESIDENTS LIMITEDNOTES TO THE FINANCIAL STATEMENTSFOR THE YEAR ENDED 30 SEPTEMBER 20021. ACCOUNTING POLICIESBasis of accounting

The financial statements have been prepared under the historical cost convention and 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.

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.

Taxation

Any surplus arising in relation to leaseholders' service charges is exempt from taxation. No such exemption applies to investment income; taxation 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

	<u>2002</u>	<u>2001</u>
	£	£
Establishment expenses	53,424	59,842
Internal redecorations	-	51,916
Administrative expenses	9,646	10,403
	<u>£ 63,070</u>	<u>£ 122,161</u>
	=====	=====

EMERY HILL RESIDENTS LIMITEDNOTES TO THE FINANCIAL STATEMENTS (CONTINUED)FOR THE YEAR ENDED 30 SEPTEMBER 20024. TAX ON INVESTMENT INCOME

	<u>2002</u>	<u>2001</u>
	£	£
The tax charge is based on interest received for the year		
Income tax at 34%	1,166	-
Corporation tax at 10%	-	577
	<u>1,166</u>	<u>557</u>

5. DEBTORS

	<u>2002</u>	<u>2001</u>
	£	£
Prepayments	1,816	2,815
Service charge deficit payable by leaseholders	-	7,269
	<u>£ 1,816</u>	<u>£ 10,084</u>
	=====	=====

6. CREDITORS: Amounts falling due within one year

	<u>2002</u>	<u>2001</u>
	£	£
Service charges in advance	-	1,321
Service charge surplus payable to leaseholders	1,070	-
Other creditors - regrant and ground rent	1,530	1,305
Corporation tax	-	557
Income tax	1,166	-
Accruals and deferred income	6,600	10,615
	<u>£ 10,366</u>	<u>£ 13,798</u>
	=====	=====

7. CALLED UP SHARE CAPITAL

	<u>2002</u>	<u>2001</u>
	£	£
Authorised:		
10,070 ordinary shares of 1p each	100.70	100.70
	=====	=====
Issued, called up and fully paid:		
9,561 ordinary shares of 1p each	95.61	95.61
	=====	=====

8. 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.

EMERY HILL RESIDENTS LIMITEDNOTES TO THE FINANCIAL STATEMENTS (CONTINUED)FOR THE YEAR ENDED 30 SEPTEMBER 20029. PREMISES MAINTENANCE RESERVE

	<u>2002</u>	<u>2001</u>
	£	£
Transfer from income and expenditure account	28,000	28,000
Interest received on maintenance reserve account	2,976	4,488
Taxation provision	(1,012)	(448)
Transfer to income and expenditure account for major works	-	(51,916)
	<u>29,964</u>	<u>(19,876)</u>
At 1 October 2001	99,704	119,580
At 30 September 2002	<u>£129,668</u>	<u>£99,704</u>

10. TRANSACTIONS WITH RELATED PARTIES

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.