

EMERY HILL RESIDENTS LIMITED

FINANCIAL STATEMENTS

30 SEPTEMBER 2003

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

Company number: 2024708



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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 2003.

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 £24,020 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>30.09.03</u>	<u>30.09.02</u>
H E Levy (resigned 01.11.02)	302	302
Mrs P M Nightingale	329	329
Lady Spencer (deceased 10.01.03)	254	254
Mrs S L O'Sullivan	318	318
Mrs S Hamilton	267	267
A C Dunachie	185	-
Mrs J R Davies	289	289
P E Kurgo (appointed 10.03.03)	329	329
M J Allen (appointed 10.03.03)	249	249

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

24 February 2004

EMERY HILL RESIDENTS LIMITEDINDEPENDENT AUDITORS REPORT TO THE SHAREHOLDERSOF EMERY HILL RESIDENTS LIMITED

We have audited the financial statements on pages 4 to 8 which have been prepared under the historical cost convention on the basis of accounting policies set out on page 6 and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As described in the directors' report, 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 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 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.

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 2003 and of its result for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985 applicable to small companies.



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

24 February 2004

EMERY HILL RESIDENTS LIMITED
INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 30 SEPTEMBER 2003

	<u>Notes</u>	<u>2003</u> £	<u>2002</u> £
TURNOVER	(2)	98,000	91,840
Net operating expenses	(3)	(76,506)	(63,070)
OPERATING SUPPLUS	(4)	21,494	28,770
Interest receivable			
General account		432	454
Maintenance reserve account		3,516	2,976
SURPLUS ON ORDINARY ACTIVITIES BEFORE TAXATION		25,442	32,200
Tax on investment income	(5)	(1,342)	(1,166)
SURPLUS ON ORDINARY ACTIVITIES AFTER TAXATION		24,100	31,034
Transfer from/(to) premises maintenance reserve	(10)	(24,020)	(29,964)
SERVICE CHARGE SURPLUS PAYABLE TO LEASEHOLDERS		£ 80	£ 1,070

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

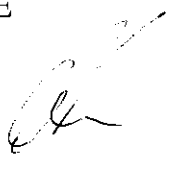
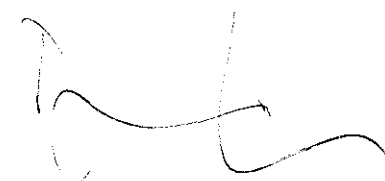
EMERY HILL RESIDENTS LIMITEDBALANCE SHEETAT 30 SEPTEMBER 2003

	<u>Notes</u>	<u>2003</u>	<u>2002</u>
		£	£
CURRENT ASSETS			
Debtors	(6)	3,020	1,816
Cash at bank with managing agents		157,596	138,314
		<u>160,616</u>	<u>140,130</u>
CREDITORS: amounts falling due within one year	(7)	6,832	10,366
NET CURRENT ASSETS		<u>153,784</u>	<u>129,764</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>£ 153,784</u> =====	<u>£ 129,764</u> =====
CAPITAL AND RESERVES			
Called up share capital	(8)	96	96
Premises maintenance reserve	(10)	153,688	129,668
		<u>£ 153,784</u> =====	<u>£ 129,764</u> =====

These financial statements have been prepared in accordance 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 (effective June 2002).

The accounts were approved by the board on 24 February 2004
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 LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2003

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention and the Financial Reporting Standard for Smaller Entities (effective June 2002).

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>2003</u>	<u>2002</u>
	£	£
Establishment expenses	65,925	53,537
Administrative expenses	10,581	9,533
	<u>£ 76,506</u>	<u>£ 63,070</u>
	=====	=====

EMERY HILL RESIDENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2003

4. OPERATING SURPLUS/(DEFICIT)

The operating surplus/deficit is stated after charging:

	<u>2003</u>	<u>2002</u>
	£	£
Auditors remuneration	2,250	-

5. TAX ON INVESTMENT INCOME

	<u>2003</u>	<u>2002</u>
	£	£
The tax charge is based on interest received for the year		
Income tax at 34%	<u>1,342</u>	<u>1,166</u>

6. DEBTORS

	<u>2003</u>	<u>2002</u>
	£	£
Prepayments	1,674	1,816
Services charges due	<u>1,346</u>	<u>-</u>
	£3,020	£ 1,816
	=====	=====

7. CREDITORS: Amounts falling due within one year

	<u>2003</u>	<u>2002</u>
	£	£
Service charge surplus payable to leaseholders	80	1,070
Other creditors - regrantors and ground rent	1,710	1,530
Income tax	839	1,166
Accruals and deferred income	4,203	6,600
	<u>£ 6,832</u>	<u>£ 10,366</u>
	=====	=====

8. CALLED UP SHARE CAPITAL

	<u>2003</u>	<u>2002</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
	=====	=====

EMERY HILL RESIDENTS LIMITEDNOTES TO THE FINANCIAL STATEMENTS (CONTINUED)FOR THE YEAR ENDED 30 SEPTEMBER 20039. 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

	<u>2003</u>	<u>2002</u>
	£	£
Transfer from income and expenditure account	29,000	28,000
Transfer to income & expenditure account	(7,300)	-
Interest received on maintenance reserve account	3,516	2,976
Taxation provision	(1,196)	(1,012)
	<u>24,020</u>	<u>29,964</u>
At 1 October 2002	129,668	99,704
At 30 September 2003	<u>£153,688</u>	<u>£129,668</u>

11. 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.