

LOVAT MEAD RESIDENTS COMPANY LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 1998

N.J. Ruse & Associates
Chartered Certified Accountants & Registered Auditors
Eagle House, Cranleigh Close
Sanderstead,
South Croydon, CR2 9LH.

Telephone 0181 - 657 4959

Company Registration Number : 2420121



LOVAT MEAD RESIDENTS COMPANY LIMITED

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FOR THE YEAR ENDED 31ST MARCH 1998

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LOVAT MEAD RESIDENTS COMPANY LIMITED

GENERAL COMPANY INFORMATION

FOR THE YEAR ENDED 31ST MARCH 1998

Directors	Mr P A Flatman Mr P E Healey Mr T Pathmanathan Mr C H Payne Mr I M Randall Mr P T Taylor
Secretary Assistant Secretary	Mr A P Duckett Mrs P E Jones
Company Number	2420121
Registered Office	Noble House Capital Drive Linford Wood Milton Keynes Bucks MK14 6QP
Auditors	N J Ruse & Associates Eagle House, Cranleigh Close Sanderstead South Croydon CR2 9LH
Managing Agents	Priority Estate Management 10A High Street Purley Surrey CR8 2AA
Bankers	Bank of Ireland Balham High Road Balham

LOVAT MEAD RESIDENTS COMPANY LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31ST MARCH 1998

The directors present their annual report together with the audited financial statements of the company for the year ended 31st March 1998.

Review of the Business

The principal activity of the company continued to be the management of the mutual interests of the lessees of numbers 1-12 and 14-89 Lovat Mead, Bexhill Road, St Leonards on Sea, East Sussex.

Results and Dividends

The results for the year are set out on page 5.

In accordance with the 1998 budget, a transfer of £4,000 was made to provide for the cost of future maintenance.

Directors and their Interests

The directors who served the company during the year and their interest in the shares of the company are set out below:

<u>Director</u>	<u>Interest</u>	<u>1998</u>	<u>1997</u>
Mr P.A. Flatman	Ordinary Shares	-	-
Mr P.E. Healey	Ordinary Shares	-	-
Mr T. Pathmanathan	Ordinary Shares	-	-
Mr C.H. Payne	Ordinary Shares	1	1
Mr I.M. Randall	Ordinary Shares	-	-
Mr P.T. Taylor	Ordinary Shares	-	-

No contract existed during or at the end of the financial year in which a director of the company is or was materially interested and which is or was significant in relation to the company's business.

Auditors

In accordance with Section 385(2) of the Companies Act 1985, a resolution proposing that N.J. Ruse & Associates be reappointed as auditors of the company will be put to the Annual General Meeting.

Small Company Rules

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 in accordance with the Financial Reporting Standard for Smaller Entities.

This report was approved by the Board on 25th February 1999 and signed on its behalf by



Secretary *Director*

LOVAT MEAD RESIDENTS COMPANY LIMITED
STATEMENT OF DIRECTOR'S RESPONSIBILITIES
FOR THE YEAR ENDED 31ST MARCH 1998

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the company and of the profit or loss of the company for that year. In preparing these financial statements the directors are required to :

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements based 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.

**AUDITORS' REPORT TO THE SHAREHOLDERS OF
LOVAT MEAD RESIDENTS COMPANY LIMITED**

We have audited the financial statements on pages 5 to 8 which have been prepared in accordance with the Financial Reporting Standard for Smaller Entities, under the historical cost convention and the accounting policies set out on page 7.

Respective Responsibilities of Directors and Auditors

As described on page 3 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.

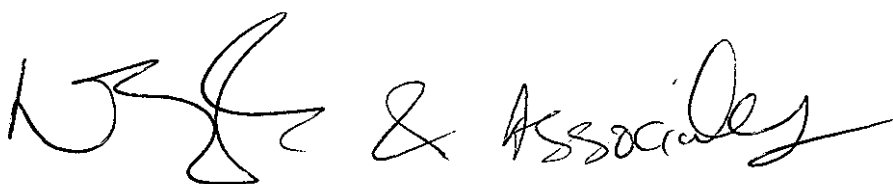
Basis of Opinion

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 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 31st March 1998 and of its profit for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985 applicable to small companies.



N.J. Ruse & Associates

Chartered Certified Accountants & Registered Auditors
Eagle House, Cranleigh Close
Sanderstead,
South Croydon, CR2 9LH.

Date: 26th February '99

LOVAT MEAD RESIDENTS COMPANY LIMITED

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31ST MARCH 1998**

		1998		1997	
	Notes	£	£	£	£
Turnover	1		15,743		13,926
Administrative Expenses			(11,743)		(11,226)
Operating Profit			<u>4,000</u>		<u>2,700</u>
Taxation			<u>-</u>		<u>-</u>
Profit/(Loss) on Ordinary Activities after Taxation			4,000		2,700
Transfer (to)/from Reserves	5		(4,000)		(2,700)
Retained Profit/(Loss) for the Year			<u><u>-</u></u>		<u><u>-</u></u>

The notes on pages 7 to 8 form an integral part of these financial statements.

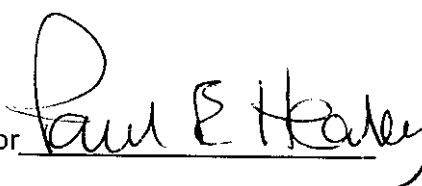
LOVAT MEAD RESIDENTS COMPANY LIMITED

BALANCE SHEET
AS AT 31ST MARCH 1998

	Notes	1998		1997	
		£	£	£	£
Current Assets					
Debtors	2	5,495		10,086	
Cash at bank and in hand		10,628		5,778	
		<u>16,123</u>		<u>15,864</u>	
Creditors: amounts falling due within one year	3	<u>(6,163)</u>		<u>(9,904)</u>	
Net Current Assets			9,960		5,960
Net Assets			<u>9,960</u>		<u>5,960</u>
Capital and Reserves					
Called up share capital	4		210		210
Reserves	5		9,750		5,750
			<u>9,960</u>		<u>5,960</u>

The financial statements, which have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 applicable to small companies, and in accordance with the Financial Reporting Standard for Smaller Entities, were approved by the board on 25th February 1999 and signed on its behalf by:-

Director 

Director 

The notes on pages 7 to 8 form an integral part of these financial statements.

LOVAT MEAD RESIDENTS COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 1998

1. Accounting Policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention and in accordance with relevant accounting standards.

1.2 Turnover

Income represents maintenance income receivable from the residents of 1-12 and 14-89 Lovat Mead, Bexhill Road, St Leonards on Sea, East Sussex.

1.3 Service Charges

Any surplus or deficit of service charges in the year are shown as debtors or creditors of the company and are then recovered or refunded to residents in the following year.

1.4 Taxation

The company is a mutual company and is only chargeable to tax on its investment income.

2. Debtors

	1998	1997
	£	£
Due from Residents	4,838	8,864
Accrued Service Charges	493	-
Prepayments	164	1,222
	<u>5,495</u>	<u>10,086</u>

3. Creditors: amounts falling due within one year

	1998	1997
	£	£
Laing Homes	2,442	6,442
Amounts due to Residents	386	381
Prepaid Service Charges	-	113
Accruals and Deferred Income	3,335	2,968
	<u>6,163</u>	<u>9,904</u>

LOVAT MEAD RESIDENTS COMPANY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 1998**

4. Share Capital	1998	1997
	£	£
<u>Authorised</u>		
- Ordinary Shares of £5 each	500	500
	<u> </u>	<u> </u>
<u>Allotted, Called up and Fully Paid</u>		
- Ordinary Shares of £5 each	210	210
	<u> </u>	<u> </u>

5. Statement Of Movement In Reserves	Share Premium	Maintenance Reserve	Total Reserves
	£	£	£
At 1st April 1997	1,050	4,700	5,750
Transfer from Profit & Loss Account		4,000	4,000
At 31st March 1998	<u>1,050</u>	<u>8,700</u>	<u>9,750</u>

6. Related Party Transactions

The following related party transactions occurred during the year :-

1. Priority Estate Management are the company's managing agents, and they charged the company fees of £1,883.
2. The directors are all employees of Laing Homes who were paid £4,000 by the company during the year, reducing the outstanding creditor to £2,442 at 31st March 1998.

LOVAT MEAD RESIDENTS COMPANY LIMITED

**INCOME & EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31ST MARCH 1998**

	1998		1997	
	£	£	£	£
Income				
Maintenance Income		14,451		12,611
Accrued/(Prepaid) Service Charges		605		(686)
Contribution by Landlord		-		2,001
Sundry Recoverables		687		-
Total Income		<u>15,743</u>		<u>13,926</u>
Expenditure				
Water Rates	150		175	
Electricity	922		805	
Cleaning	2,024		3,652	
Contract Gardening	1,099		-	
Repairs & Maintenance	2,283		1,504	
Entry Phone	891		449	
Printing, Postage and Stationery	35		-	
Audit Fees	411		800	
Annual Filing Fee	15		18	
Bank Charges & Interest	40		-	
Laing Homes Administration	800		-	
Sundry Expenses	41		-	
Insurance	1,149		1,107	
		<u>9,860</u>		<u>8,510</u>
Managing Agents Fees		1,883		2,716
Total Expenditure		<u>(11,743)</u>		<u>(11,226)</u>
Net Surplus/(Deficit) for Year		<u>4,000</u>		<u>2,700</u>
Taxation		-		-
Net Surplus/(Deficit) After Taxation		<u>4,000</u>		<u>2,700</u>
Transfers (to)/from Reserves				
Transfers to Maintenance Reserve	(4,000)		(2,700)	
Transfers from Maintenance Reserve	-		-	
		<u>4,000</u>		<u>(2,700)</u>
Retained Surplus/(Deficit) for Year		<u>-</u>		<u>-</u>