

ROC Copy
Please sign
& return

I R Reference 614/96550/94197

Registered Company No. 2468708

SOUTHWOLD ROAD (BLOCK B) MANAGEMENT COMPANY LTD

STATEMENT OF ACCOUNTS
for the year ended 31st March 1998

CARTWRIGHT & COMPANY
Chartered Accountants &
Registered Auditors
106 High Street
Stevenage
Herts
SG1 3DW



SOUTHWOLD ROAD (BLOCK B) MANAGEMENT COMPANY LTD

BOARD OF DIRECTORS

A Wellock
G Mayoh
S Walker
S Underdown

SECRETARY

A Wellock

REGISTERED OFFICE

136 Fairview Road
Stevenage
Herts
SG1 2NS

AUDITORS

Cartwright & Company
Chartered Accountants &
Registered Auditors
106 High Street
Stevenage
Herts
SG1 3DW

BANKERS

National Westminster Bank plc
26/28 Queensway
Stevenage
Herts
SG1 1BU

REPORT AND ACCOUNTS
for the year ended 31st March 1998.

	<u>Page</u>
Directors' Report	1
Statement of Directors' Responsibilities	2
Auditors' Report	3
Income and Expenditure Account	4
Balance Sheet	5
Notes on Accounts	6
Income and Expenditure Account	7

SOUTHWOLD ROAD (BLOCK B) MANAGEMENT COMPANY LTD

REPORT OF THE DIRECTORS
for the year ended 31st March 1998

The Directors present their Report and the audited accounts for the year ended 31st March 1998.

ACTIVITIES

During the year, the principal activity of the Company was the management and maintenance of the land and buildings at 42-68b Southwold Road, Watford, Herts to the mutual benefit of all Members equally.

RESULTS

Income for the year is equal to expenses incurred or provisions made for future expenditure of the Company. There was cyclical expenditure in the year of £4,441 (1997 - nil).

DIRECTORS

	1998 <u>Ordinary Shares</u>	1997 <u>Ordinary shares</u>
A Wellock	1	1
G Mayoh	1	1
S Walker	1	1
S Underdown	1	-

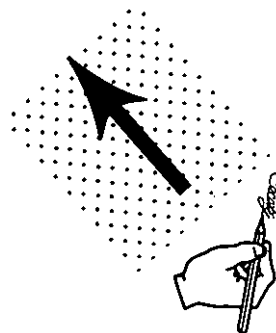
AUDITORS

A resolution proposing the re-appointment of Messrs Cartwright & Co as auditors will be put to the forthcoming Annual General Meeting in accordance with the Companies Act 1985.

G. Mayoh
By Order of the Board

A Wellock
Secretary

Stevenage
4th June, 1998.



SOUTHWOLD ROAD (BLOCK B) MANAGEMENT COMPANY LTD

STATEMENT OF DIRECTORS' RESPONSIBILITIES

We are required under company law to prepare financial accounts for each financial period 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 accounts we are required to:

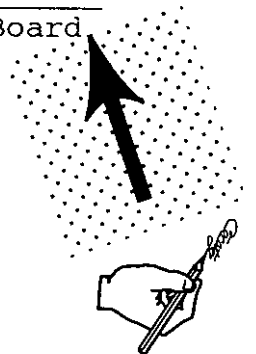
- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether the applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial accounts;
- prepare the financial accounts 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 accounts comply with 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.

Stevenage
4th June, 1998.

G. Marsh

By Order of the Board



**AUDITORS' REPORT TO THE SHAREHOLDERS OF
SOUTHWOLD ROAD (BLOCK B) MANAGEMENT COMPANY LTD**

We have audited the financial accounts on pages 4 to 7 which have been prepared under the historical cost convention.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As described on page 2 the company's Directors are responsible for the preparation of financial accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts and to report our opinion to you.

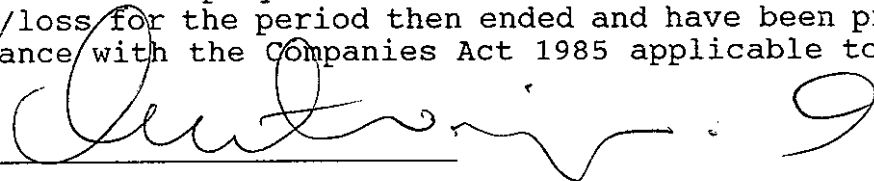
BASIS OF OPINION

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 accounts. It also includes an assessment of the significant estimates and judgments made by the Directors in the preparation of the financial accounts, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

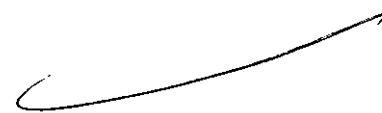
We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial accounts are free from material mis-statement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial accounts.

OPINION

In our opinion the financial accounts give a true and fair view of the state of the company's affairs as at 31st March 1998 and of its nil profit/loss for the period then ended and have been properly prepared in accordance with the Companies Act 1985 applicable to small companies.



Cartwright & Company
Chartered Accountants
& Registered Auditors
106 High Street
Stevenage
Herts
SG1 3DW



SOUTHWOLD ROAD (BLOCK B) MANAGEMENT COMPANY LTD

INCOME AND EXPENDITURE ACCOUNT

For the year ended 31st March 1998

		<u>1998</u>	<u>1997</u>
	<u>Note</u>	<u>£</u>	<u>£</u>
<u>TURNOVER</u>		18,900	18,900
(DEFICIT) for the year before Interest received and taxation.		(453)	(289)
After charging:-			
Directors' Remuneration		-	-
Auditors' Remuneration		897	848
before crediting:-			
Bank Interest Receivable		574	381
		121	92
Less: UK Corporation Tax	2(a)	121	92
<u>SURPLUS/(DEFICIT) for the year</u>		<u>NIL</u>	<u>NIL</u>

None of the company's activities were acquired or discontinued during the above two financial years.

There were no recognised gains or losses other than the profit or loss for the above two financial years.

SOUTHWOLD ROAD (BLOCK B) MANAGEMENT COMPANY LTD

BALANCE SHEET
31st March 1998

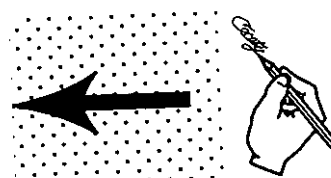
	<u>Note</u>	<u>£</u> <u>1998</u>	<u>£</u> <u>1997</u>
<u>SHARE CAPITAL</u>			
Authorised, Issued and Fully Paid 42 Ordinary Shares of £1 each		42	42
<u>MEMBERS' TOTAL FUNDS</u>			
Represented by:			
<u>CURRENT ASSETS</u>			
Bank Current Account		2,477	2,133
Bank Deposit Account		16,571	17,997
Debtors and Prepayments	4	<u>5,414</u>	<u>5,157</u>
Less: CURRENT LIABILITIES		24,462	25,287
payable within 12 months			
Creditors and Accruals	5	15,593	14,416
UK Corporation Tax	2(b)	<u>121</u>	<u>92</u>
		<u>15,714</u>	<u>14,508</u>
		8,748	10,779
Less: PROVISION for			
Maintenance	3	<u>8,706</u>	<u>10,737</u>
<u>NET ASSETS</u>		<u>42</u>	<u>42</u>

..... *G. Mayoh* DIRECTOR

..... *J. Hipkiss* DIRECTOR

..... *23-7-98* DATE

Certified true copy.



The notes on pages 6 to 7 form part of these financial statements.

SOUTHWOLD ROAD (BLOCK B) MANAGEMENT COMPANY LTD

NOTES ON ACCOUNTS
for the year ended 31st March 1998

1. ACCOUNTING POLICIES

Accounting basis

Accounts have been prepared under the historical cost convention.

2. UK CORPORATION TAX

The provision comprises UK Corporation Tax calculated at 21% (1997 24%) on the current year's Deposit interest received.

	<u>1998</u> £	<u>1997</u> £
(a) <u>Income and Expenditure Account</u>		
UK Corporation Tax due @21% (1997 @ 24%) on interest received	121	92
	<u> </u>	<u> </u>
(b) <u>Balance Sheet</u>		
UK Corporation Tax @ 21% (1997 @ 24%) due on interest received	121	92
	<u> </u>	<u> </u>

3. PROVISION FOR CYCLICAL MAINTENANCE

Provision b/f	10,737	6,716
Add: Provision for year - see page 7	2,410	4,021
Less: Cyclical Maintenance carried out during year	(4,441)	-
	<u>8,706</u>	<u>10,737</u>

4. DEBTORS AND PREPAYMENTS

Service Charge Fees	1,430	1,294
TV and FM Aerial and Entry Phone Rental	1,542	1,487
Insurance	2,418	2,352
Ex-tenants owing	24	24
	<u>5,414</u>	<u>5,157</u>

5. CREDITORS AND ACCRUALS

Rental Deposits held	12,600	12,600
Accruals - Audit	897	871
- Maintenance	1,678	637
- Sundries	28	-
Service charges in advance	390	308
	<u>15,593</u>	<u>14,416</u>

SOUTHWOLD ROAD (BLOCK B) MANAGEMENT COMPANY LTD

INCOME AND EXPENDITURE ACCOUNT
for the year ended 31st March 1998

	<u>Note</u>	<u>£</u>	<u>1998</u> <u>£</u>	<u>£</u>	<u>1997</u> <u>£</u>
<u>INCOME</u>					
Service Charge Payable			18,900		18,900
Less: Bad Debts			-		-
			<u>18,900</u>		<u>18,900</u>
Bank Interest Receivable		574		381	
Less: Corporation Tax	2(a)	<u>121</u>		<u>92</u>	
			<u>453</u>		<u>289</u>
			<u>19,353</u>		<u>19,189</u>
 Less: <u>EXPENDITURE</u>					
Management Fees		1,808		1,779	
Repairs and Other					
Maintenance		1,929		623	
Gardening and Cleaning		5,875		5,921	
Insurance		3,717		3,440	
Electricity		426		383	
Accountancy & Audit		897		848	
Sundry Expenses		-		32	
Bank Charges and Interest		290		198	
TV and FM Aerial and Entryphone					
Rental		2,001		1,944	
			<u>16,943</u>	<u>15,168</u>	
Provision for future					
Maintenance	3	<u>2,410</u>		<u>4,021</u>	
			<u>19,353</u>		<u>19,189</u>
<u>SURPLUS/(DEFICIT) for the year</u>			<u>NIL</u>		<u>NIL</u>