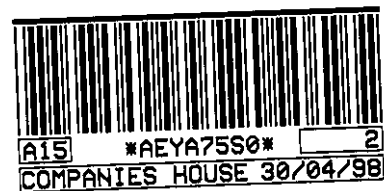


COMPANY NO. 3219321

**BALMAIN CLOSE FREEHOLDERS LIMITED**  
**REPORT AND ACCOUNTS**  
**FOR THE PERIOD FROM 2ND JULY 1996 TO 31ST JULY 1997**



**PRIDIE BREWSTER**  
**CHARTERED ACCOUNTANTS.**

29/39 London Road,  
TWICKENHAM,  
Middlesex TW1 3SZ.

27 April 1998

**DIRECTORS' REPORT**

The Directors present their Report and Accounts for the period from 2nd July 1996 to 31st July 1997.

**PRINCIPAL ACTIVITIES**

The Company was incorporated on 2nd July 1996 and its principal activities are to hold the Freehold Title to land at Balmain Close, Grange Road, Ealing W5, and to manage the Estate.

**RESULTS AND DIVIDEND**

It is considered that the results of the Company for the period to 31st July 1997 and its position at that date are fairly set out in the accompanying Accounts.

The Directors do not recommend a dividend for the period.

**FIXED ASSETS**

The Movements in the fixed assets of the Company are set out in the Notes to the Accounts.

**DIRECTORS**

The following served as Directors during the period:-

|              |             |
|--------------|-------------|
| C A Pearce   | C Halliwell |
| Dr R Coleman | A Bowen     |

Each Director holds one share of £1 each in the Company.

Mr A Bowen resigned as a Director on 1 February 1998 and Mr G Hewson was appointed a Director on 10 February 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 profit or loss of the Company for that year. In preparing those Financial Statements the Directors are required to:

- a] select suitable accounting policies and then apply them consistently;
- b] make judgements and estimates that are reasonable and prudent;
- c] 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.

**DIRECTORS' REPORT (continued)****AUDITORS**

The Auditors, Messrs. Pridie Brewster, Chartered Accountants, are willing to continue in office, and a motion for their re-appointment will be put before the Annual General Meeting in accordance with Section 385 of the Companies Act 1985.

**EXEMPTIONS**

Advantage has been taken in the preparation of the above Report of special exemption applicable to small Companies, conferred by Part II of Schedule 8 of the Companies Act 1985.

**BY ORDER OF THE BOARD**A handwritten signature in black ink, appearing to read 'G Hewson', with a horizontal line underneath the name.

**G HEWSON  
SECRETARY**

**27 April 1998**

**REPORT OF THE AUDITORS TO THE MEMBERS OF  
BALMAIN CLOSE FREEHOLDERS LIMITED**

We have audited the Financial Statements on pages 4 to 7 which have been prepared under the historical cost convention and the accounting policies set out on page 7.

**Respective responsibilities of Directors and Auditors**

As described in the Directors' Report, 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 July 1997 and of its deficit for the period then ended and have been properly prepared in accordance with the Companies Act 1985.

29/39 London Road,  
TWICKENHAM,  
Middlesex TW1 3SZ.

  
PRIDIE BREWSTER  
CHARTERED ACCOUNTANTS  
REGISTERED AUDITORS

**27 April 1998**

PROFIT AND LOSS ACCOUNT FOR THE PERIOD FROM  
2ND JULY 1996 TO 31ST JULY 1997

## Note

## INCOME

|                   |       |     |
|-------------------|-------|-----|
| Ground Rents      | 111   |     |
| Interest Received | 415   |     |
|                   | <hr/> | 526 |

## EXPENDITURE

|                    |       |       |
|--------------------|-------|-------|
| Audit Fees         | 470   |       |
| Formation Expenses | 881   |       |
| Sundry Expenses    | 168   |       |
|                    | <hr/> | 1,519 |

(LOSS) ON ORDINARY  
ACTIVITIES BEFORE TAXATION  
CORPORATION TAX

(2)

(993)

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-

(LOSS) FOR THE PERIOD AFTER  
TAXATION, carried forward

(993)

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## BALANCE SHEET AT 31ST JULY 1997

## Note

## FIXED ASSETS

|                 |     |        |
|-----------------|-----|--------|
| Tangible Assets | (3) | 73,604 |
|-----------------|-----|--------|

## CURRENT ASSETS

|         |     |     |
|---------|-----|-----|
| Debtors | (4) | 129 |
|---------|-----|-----|

|              |  |        |
|--------------|--|--------|
| Bank Balance |  | 13,744 |
|--------------|--|--------|

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13,873

CREDITORS - amounts falling due  
within one year

|     |     |
|-----|-----|
| (5) | 470 |
|-----|-----|

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13,403
TOTAL ASSETS LESS CURRENT  
LIABILITIES

87,097

CREDITORS - amounts falling due  
after more than one year

|     |        |
|-----|--------|
| (6) | 87,956 |
|-----|--------|

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(949)

## CAPITAL AND RESERVES

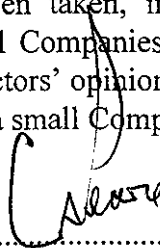
|                         |     |    |
|-------------------------|-----|----|
| Called-up Share Capital | (7) | 44 |
|-------------------------|-----|----|

|                         |  |       |
|-------------------------|--|-------|
| Profit and Loss Account |  | (993) |
|-------------------------|--|-------|

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(£949)

Advantage has been taken, in the preparation of the accounts, of special exemptions applicable to small Companies conferred by Part II of Schedule 8 of the Companies Act 1985. In the Directors' opinion, the Company is entitled to these exemptions on the grounds that it qualifies as a small Company under Section 247 of the Companies Act 1985.

  
..... C A PEARCE - DIRECTOR

27 April 1998

## NOTES TO THE ACCOUNTS FOR THE PERIOD ENDED 31ST JULY 1997

## 1) ACCOUNTING POLICIES

The principal accounting policies which are adopted in the preparation of the Company's Accounts are as follows:

**Accounting Convention**

The Accounts have been prepared under the historical cost convention.

**Accounting Standards**

The Accounts have been prepared in accordance with applicable accounting standards.

**Cash Flow Statement**

The Company qualifies as a small Company under the requirements of Financial Reporting Standard No. 1 and therefore is not required to produce a Cash Flow Statement.

## 2) TAXATION

The Company is a mutual trading Company within the definition of Section 490 ICTA 1988. There is no liability to tax on income other than investment income which is chargeable to Corporation Tax at a rate of 24%/21%. The Corporation Tax charged on investment income for the year is NIL.

## 3) FIXED ASSETS

**Tangible Assets**

Freehold Land and Buildings at Balmain Close, Grange Road, Ealing, at cost, including professional fees and other costs

£73,604

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**BALMAIN CLOSE FREEHOLDERS LIMITED**  
**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER 1997**  
**(continued)**

7

4) **SUNDRY DEBTORS**

|                  |                   |
|------------------|-------------------|
| Ground Rents due | 46                |
| Income Tax       | 83                |
|                  | <u>          </u> |
|                  | £129              |
|                  | <u>          </u> |

5) **CREDITORS - amounts falling due within one year**

|            |                   |
|------------|-------------------|
| Audit Fees | £470              |
|            | <u>          </u> |

6) **CREDITORS - amounts falling due after more than one year**

|                          |                   |
|--------------------------|-------------------|
| Loans from Leaseholders: | £87,956           |
|                          | <u>          </u> |

No interest is payable on loans. There are no fixed dates for repayment of loans.

7) **CALLED-UP SHARE CAPITAL**

|                                                             |                   |                   |
|-------------------------------------------------------------|-------------------|-------------------|
| Authorised: 100 Shares of £1 each                           | 100               |                   |
|                                                             | <u>          </u> |                   |
| Allotted, Called-up and Fully Paid:<br>44 Shares of £1 each |                   | £44               |
|                                                             |                   | <u>          </u> |