

THE GROVE FLAT MANAGEMENT COMPANY LIMITED
(A COMPANY LIMITED BY GUARANTEE
NOT HAVING A SHARE CAPITAL)

FINANCIAL STATEMENTS

AS AT

30th JUNE 2000



HOWARD WADE & JACOB
Chartered Accountants
197-205 High Street
Ponders End Enfield
Middlesex EN3 4DZ

THE GROVE FLAT MANAGEMENT COMPANY LIMITED

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THE GROVE FLAT MANAGEMENT COMPANY LIMITED

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DIRECTORS OFFICERS AND ADVISERS

Director

B. Swies
B. Pettit
G. Marco
R. Dimmock
I. Moss

Secretary

R. P. Davies

Registered Office

197-205 High Street
Ponders End
Enfield
Middlesex
EN3 4DZ

Date of Incorporation

6th May 1997

Registration Number

3365949

Auditors

Howard Wade & Jacob
Chartered Accountants
197-205 High Street
Ponders End
Enfield
Middlesex EN3 4DZ

Managing Agents

Ian Gibbs F.R.I.C.S.
51 Windmill Hill
Enfield
Middlesex EN2 7AE

THE GROVE FLAT MANAGEMENT COMPANY LIMITED

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REPORT OF THE DIRECTORS

The Directors have pleasure in presenting their Report to the members of the company together with the Accounts for the year ended 30th June 2000.

PRINCIPAL ACTIVITY

The Company's principal activity is that of managing property, comprising of 45 flats situated at 1 - 9 Ellery House and 1 - 36 Harper Close, The Grove, Chase Road, Oakwood, London N14.

RESULTS

There is neither a profit nor a loss arising during the year through the management of premises. The costs are shown on page 5 of these Accounts.

DIRECTORS AND THEIR INTERESTS

The Directors who served during the year were as follows:

B. Swies
B. Pettit
G. Marco
R. Dimmock
I. Moss

AUDITORS

Messrs Howard Wade and Jacob have been appointed as the auditors and have expressed their willingness to continue in office. A proposal for their re-appointment will be made at the next Annual General Meeting.

TAXATION STATUS

The Company is not a close company within the meaning of the Income and Corporation Taxes Act 1988.

SPECIAL EXEMPTIONS

The accounts are prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

RESPONSIBILITIES OF THE DIRECTORS

These are set out on page 3 together with any observations thereon.

BY ORDER OF THE BOARD

6th November 2000
Registered Office
197-205 High Street
Ponders End
Enfield
Middlesex EN3 4DZ

R. P. Davies
Secretary



THE GROVE FLAT MANAGEMENT COMPANY LIMITED

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STATEMENT OF DIRECTORS RESPONSIBILITIES

ATTACHED TO FINANCIAL STATEMENTS

PREPARED FOR THE YEAR ENDED 30th JUNE 2000

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

- * select suitable 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.

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.

THE GROVE FLAT MANAGEMENT COMPANY LIMITED

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BALANCE SHEET

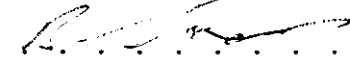
AS AT 30th JUNE 2000

	Notes	£	2000	£	£	1999	£
CURRENT ASSETS							
Prepayments	1b, 4)	3,796			1,322		
Bank Deposit Account		9,214			4,556		
Cash at Bank		4,729			4,335		
		<u>17,739</u>			<u>10,213</u>		
CREDITORS due within one year							
Creditors	5)	3,339			5,713		
		<u>3,339</u>			<u>5,713</u>		
NET CURRENT ASSETS			14,400			4,500	
			<u>£ 14,400</u>			<u>£ 4,500</u>	
Financed by:							
MEMBERS FUNDS							
Decorations Reserve		9,000			4,500		
Lift Reserve		2,700			-		
General Reserve		2,700			-		
		<u>£ 14,400</u>			<u>£ 4,500</u>		

The accounts are prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

The notes on pages 6 and 7 form an integral part of these Accounts

Signed on behalf of the Board


 B. Swies) Directors

 R. Dimmock)

Approved 6th November 2000

THE GROVE FLAT MANAGEMENT COMPANY LIMITED

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INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 30th JUNE 2000

	Notes	£	2000	£	£	1999	£
COSTS RECOVERABLE FROM LESSEES			33,136			30,325	
SINKING FUND CONTRIBUTION			4,500			4,500	
OTHER INCOME							
Bank Deposit Interest Received			239			139	
			37,875			34,964	
MANAGEMENT EXPENSES							
Insurance		6,339			3,948		
Printing Postage & Stationery		120			115		
Entry Gate Telephone		220			88		
Lift Maintenance/Telephone		675			216		
Paladin Bin Hire		100			102		
Window Cleaning		2,256			2,197		
Repairs and Maintenance		2,323			1,217		
Lighting to Common Parts		1,619			1,711		
Gardening		4,341			5,156		
Cleaning Common Parts		4,774			4,842		
Bank Interest and Charges		105			116		
Annual Return Fees		15			15		
Company Administrators Fees		50			30		
Water Rates		4,920			5,545		
Auditors Remuneration		1,083			1,041		
Managing Agents Fee		4,385			4,125		
Miscellaneous Expenses		50			-		
		33,375			30,464		
			33,375			30,464	
SURPLUS FOR THE YEAR			4,500			4,500	
TRANSFER TO / (FROM)							
RESERVES			£ 4,500			£ 4,500	

All amounts relate to continuing operations.

The company has no recognised gains or losses other than the results set out above.

The notes on pages 6 and 7 form an integral part of these Accounts

THE GROVE FLAT MANAGEMENT COMPANY LIMITED**(A COMPANY LIMITED BY GUARANTEE NOT HAVING A SHARE CAPITAL)****NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED 30th JUNE 2000****1. ACCOUNTING POLICIES****a) Basis of Accounting**

The financial statements have been prepared under the historic cost convention and in accordance with the Companies Act 1985.

b) Debtors

Specific provisions are made for bad and doubtful debts.

c) Management Expenses

These expenses are recoverable from the Lessees according to the relevant number of forty five parts indicated in their Leases, with the exception of Insurance and Water rates which are allocated on a block by block basis.

	2000	1999
2. NET OPERATING INCOME		
is stated after charging:		
Auditors Remuneration	1,083	1,041
	<u>£ 1,083</u>	<u>£ 1,041</u>

3. TAXATION

In view of the nature of the Company's activities no provision has been made within these financial statements for Corporation Tax.

THE GROVE FLAT MANAGEMENT COMPANY LIMITED

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30th JUNE 2000

	2000	1999
4. PREPAYMENTS		
Amounts due from Lessees	2,257	-
Sundry Prepayments	1,539	1,322
	<u>£ 3,796</u>	<u>£ 1,322</u>
5. CREDITORS due within one year		
Amounts due to Lessees	-	737
Sundry Creditors	3,339	4,976
	<u>£ 3,339</u>	<u>£ 5,713</u>
6. RESERVES		
Decorations Reserve		
Brought Forward	4,500	-
Transfer for Year	4,500	4,500
	<u>£ 9,000</u>	<u>£ 4,500</u>
Lift Reserve		
Transfer for Year	2,700	-
	<u>£ 2,700</u>	<u>£ -</u>
General Reserve		
Transfer for Year	2,700	-
	<u>£ 2,700</u>	<u>£ -</u>

7. GUARANTEE

Each Member of the Company undertakes to contribute such amount as may be required (not exceeding £1) to the Company's assets if it should be wound up while he is a Member, or within one year after he ceases to be a Member, for payment of the Company's debts and liabilities contracted before he ceases to be a Member, and of the costs, charges and expenses of winding up, and for the adjustment of the rights of the contributories among themselves.

8. POST BALANCE SHEET EVENTS

In the opinion of the Directors there are no material post balance sheet events to be reported within these financial statements.

REPORT OF THE AUDITORS

TO THE MEMBERS OF

THE GROVE FLAT MANAGEMENT COMPANY LIMITED

(A COMPANY LIMITED BY GUARANTEE NOT HAVING A SHARE CAPITAL)

We have audited the financial statements on pages 4 to 7 which have been prepared under the accounting policies set out on page 6.

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

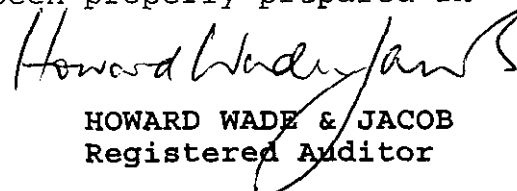
We conducted our audit in accordance with Auditing Standards. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the directors in the preparation 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 affairs of the company as at 30th June 2000 and of its results for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

197-205 High Street
Ponders End
Enfield
Middlesex EN3 4DZ


HOWARD WADE & JACOB
Registered Auditor
6th November 2000