

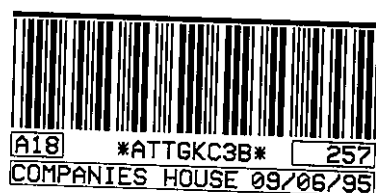
THE BALLARD ESTATE COMPANY LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 1995

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THE BALLARD ESTATE COMPANY LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31st MARCH 1995

The Directors present their report and the financial statements for the year ended 31st March, 1995.

1. STATEMENT OF 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 excess or deficiency of income 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.

The Directors are responsible for keeping proper accounting records which disclose the 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.

2. During the year the following were Directors of the Company:-

Mrs. M. Cadorath, Mr. C. Hartwell, Mr. J. P. Jelly, Mr. J. Smith, Mr. T.T. Hodges & Mr. D. Winter

3. The Company is limited by guarantee, not having a share capital. The liability of the Members of the Company is limited to their guarantee of a maximum of £2.00 each.
4. The principal function of the Company is the management of the property of the Company at Ballard Estate, Swanage.
5. There was a deficit of £571.94 for the year (1994 surplus of £267.78) which was provided out of the Accumulated Funds Account.
6. Messrs Redman & Roker have expressed their willingness to continue in office as Auditors and their re-appointment will be proposed at the forthcoming Annual General Meeting.
7. The Board of Directors have met formally on two

separate occasions during the past year.

8. It was reported last year, that Dr. Petri had expressed his agreement to the whole of the conditions set out in the Directors letter of the 29th March, 1994, for him to retain the staircase and reconstructed floor at No. 26, Ballard Estate, and that he would be writing in confirmation of this. He duly wrote to the Chairman on the 28th May, 1994, stating that "I agree to the whole of the conditions which you have set out in your 29th March letter, as conditions precedent upon our retaining the alterations made to the above property." (The above property being 'Overcliff', Ballard Estate).

I have written twice to Dr. Petri recorded delivery, on the 7th December, 1994 and again on the 28th March, 1995, asking him to meet his commitment to pay "all costs however incurred in complying with the conditions..... including all legal costs incurred by the Estate in contesting this dispute."

The costs involved are Solicitors charges of £900.00 + Counsel's fee of £600.00 both plus VAT of £262.50 total £1,762.50. Out of pocket expenses incurred by the Board amount to approximately £15.00

Dr. Petri has made no response to the two letters whatsoever.

The advice given by our Solicitors litigation experts is that the exchange of letters between the Directors and Dr. Petri constitute a clear legally binding agreement which, not having been honoured, gives good grounds for action for recovery.

A majority view of the Resident Members of the Estate Company will be taken at the meeting to establish whether it is their wish to accept the costs as an Estate liability or to proceed further for recovery.

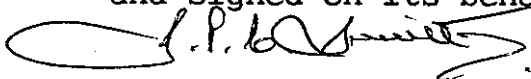
9. The signboard at the main entrance to the Estate has been replaced at a cost of approximately £85.00, thanks to the efforts of Mr. David Winter.
10. The Homewatch Scheme is now in place, although little communication has taken place between the police and our Estate co-ordinators. Sign boards have been erected announcing that the Estate is a Homewatch Area, at each of the entrances on to the Estate. The one opposite the Pines Hotel entrance was stolen a week or two after it was erected, but this has now been replaced. Following a young people's party on the Estate last July, some acts of vandalism took place to a number of properties, but the police apprehended the culprits and the damage done was either made good or paid for.

Since the Homewatch Scheme was set up, no burglaries have been reported on the Estate.

Residents are urged, however, to remain vigilant at all times particularly in the summer months.

11. Applications have been made to the local Planning Authority for the complete redevelopment of No. 4, Ballard Estate and for a number of alterations to be made at No. 30 and No. 21, all of which were referred to the Directors who raised no objections to the proposals.
12. When Dr. Petri sold the freehold of No. 26 last year, the new owner, Mr. D.A. Tugwell accepted the covenant which we had agreed with Dr. Petri, namely that the staircase and first floor could remain as constructed provided that the space was used for storage and/or a play area only. The new Deed of Covenant was prepared by our Solicitors and has been incorporated into the Certificate of Title and registered accordingly. The new owner met all the costs involved.
13. Members are reminded that the garden rubbish tip over the cliff face, must be used only for vegetable garden material and nothing else. Please avoid tipping plastic bags, broken plastic or earthenware pots, metal, timber or any other material which will not readily rot down.
14. A number of vehicles using the Estate roads still ignore the speed limit signs which are displayed around the Estate. 12 m.p.h. means 'DEAD SLOW' and certainly not 30, 40 or even 50 m.p.h., at which speeds vehicles have been observed on occasion. Children frequent the Estate particularly during the summer months, and with no footways and several totally 'blind' corners the roads can be extremely dangerous unless the speed limits are strictly adhered to at all times and by all users. Residents are asked to co-operate in persuading visitors on to the Estate to observe the speed limit at all times.
15. Mr. C. Hartwell retires by rotation and does not wish to offer himself for re-election. One nomination for election to the Board has been received, namely Mr. C. Riggs. Any other nominations should reach a Member of the Board by Thursday 11th May 1995 accompanied by the written consent of the Nominee; suitable consent forms are available from any Member of the Board.
16. The Directors recommend that the subscription of £35.00 per annum per residence be fixed for next year, 1996.
17. ANNUAL GENERAL MEETING: The Notice and Agenda for the General Meeting accompany this report. If any Member wishes to raise a subject for discussion, please notify one of the Directors before 11th May 1995.

This report, was approved by the board on 12th April, 1995 and signed on its behalf.



J.P.C. Smith
Director.

AUDITORS REPORT TO THE MEMBERS OF BALLARD ESTATE COMPANY LIMITED

We have audited the financial statements on pages 3 to 5 which have been prepared under the historical cost convention and the accounting policies set out on page 5.

Respective Responsibilities of Directors and Auditors

As described on page 1 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

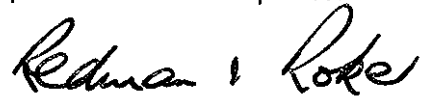
We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements 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 at 31st March, 1995 and of its excess of expenditure over income for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act, 1985 applicable to small companies.

6 Gilbert Road,
SWANAGE
27th April, 1995

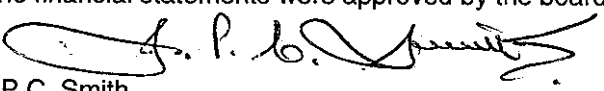

REDMAN & ROKER
Chartered Accountants
Registered Auditors

THE BALLARD ESTATE COMPANY LIMITED

BALANCE SHEET AS AT 31ST MARCH, 1995

	<u>Notes</u>	<u>1995</u>	<u>1994</u>
<u>FIXED ASSETS</u>			
Freehold Land (Not Valued)	(2)	-	-
<u>INVESTMENTS</u>			
Portman Building Society		4068	4584
		-----	-----
		4068	4584
<u>CURRENT ASSETS</u>			
Debtors	(3)	3226	45
<u>LESS CURRENT LIABILITIES</u>			
Creditors:			
Amounts Falling Due within One Year	(4)	407	364
<u>NET CURRENT LIABILITIES</u>		-----	-----
		(375)	(319)
		-----	-----
<u>TOTAL NET ASSETS</u>		3693	4265
		=====	=====
<u>Represented By:</u>			
<u>ACCUMULATED FUNDS ACCOUNT</u>			
As at 1.4.94		4265	3997
(Less)/Add Excess of (Expenditure)/Income over			
(Income)/Expenditure for Year		(572)	268
		-----	-----
<u>MEMBERS FUNDS</u>		3693	4265
		=====	=====

The financial statements were approved by the board on 25th April, 1995 and signed on its behalf.


J.P.C. Smith
Director

The notes on page 5 form part of the financial statements.

THE BALLARD ESTATE COMPANY LIMITED

INCOME & EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 1995

	<u>1995</u>	<u>1994</u>
Estate Subscriptions Received	1575	1350
Gate Levy Received	1	1
Interest Received Portman Building Society (Net)	177	182
	-----	-----
	1753	1533
<u>Less Expenses & Charges:</u>		
Secretaries Management Fees & VAT	264	235
Estate Maintenance	286	132
Public Liability Insurance	205	150
Auditors' Remuneration & VAT	141	129
Company's Registration Fee	32	32
Donation - National Trust	220	-
Counsel's Fees & VAT re Estate Covenants	705	-
Legal Charges & VAT re Estate Covenants	470	587
Stationery & Sundries	2	-
	-----	-----
	2325	1265
	-----	-----
<u>Excess of (Expenditure)/Income over</u> <u>(Income)/Expenditure for Year</u>	(572)	268
	=====	=====

There were no recognised gains and losses for 1995 or 1994 other than those included in the Income and Expenditure Account.

The notes on page 5 form part of these financial statements.

THE BALLARD ESTATE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 1995

1. Accounting Policies

Basis of Preparation of Financial Statements

The financial statements are prepared under the historical cost convention and include the results of the company's operations which are described in the Directors' Report and all of which are continuing.

The company has taken advantage of the exemption in Financial Reporting Standard No. 1 from the requirement to produce a cash flow statement on the grounds that it is a small company.

2. Tangible Fixed Assets

The Freehold land is not valued for accounting purposes.

3. Debtors

	<u>1995</u>	<u>1994</u>
Other Debtors: Secretaries Account	32	45
	==	==

4. Creditors: Amounts falling due within one year

	<u>1995</u>	<u>1994</u>
Accruals	407	364
	===	===

5. Taxation

The income from Building Society Interest £177 (1994 £182) is shown net, after deduction of Income Tax. The gross income from this source of £236 (1994 £243) and the company's liability to Corporation Tax at twenty-five percent thereon amounts to £59 (1994 £61). The Company's liability to Corporation Tax is covered by the Income Tax deducted at source.