

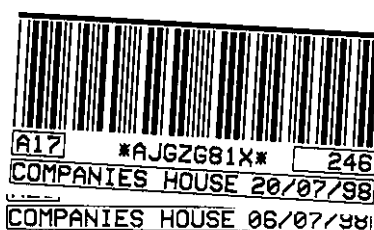
1836321

FIRST DEVONSHIRE MANAGEMENT COMPANY LIMITED

A company limited by guarantee, not having a share capital

ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 1997

	<u>Page</u>
Report of the Directors	1 & 2
Report of the Auditors	3
Income and Expenditure Account	4
Balance Sheet	5
Notes to the Accounts	6
Detailed Income and Expenditure Account	7
Lessees Accounts	8



FIRST DEVONSHIRE MANAGEMENT COMPANY LIMITED

A company limited by guarantee, not having a share capital

REPORT OF THE DIRECTORS

The directors present their report and annual accounts for the year ended 31 December 1997.

PRINCIPAL ACTIVITY AND BUSINESS REVIEW

The principal activity of the company is that of the management of the communal areas of Devonshire Court, Cavendish Road, Balham, London, SW12.

The company made a surplus of £2201 (1996 - £619 deficit) for the year. The surplus is being used to pay for redecoration of the staircase area, which is expected to be carried out in 1998 at a cost of about £2200. The results are shown on page 4. No dividend is recommended.

DIRECTORS

The directors who held office at any time during the year are as follows:

S Stapley
A Taylor

M Dean (resigned 10.2.98)
M Feeley (resigned 25.6.97)

Each director has an obligation to contribute a sum not exceeding £1 in the event of the winding up of the Company.

DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare accounts 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 period. In preparing those accounts, the directors are required to:

select suitable accounting policies and then apply them consistently;
make judgements and estimates that are reasonable and prudent;
follow applicable accounting standards, subject to any material departures disclosed and explained in the accounts;
prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

FIRST DEVONSHIRE MANAGEMENT COMPANY LIMITEDA company limited by guarantee, not having a share capitalREPORT OF THE DIRECTORS
(continued)

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 accounts 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

A resolution to reappoint the auditors Cripps Dransfield will be put to the members at the forthcoming Annual General Meeting.

By order of the Board

P. Alexander
Secretary

17.6.98

Date

P. ALEXANDER

REPORT OF THE AUDITORS TO THE MEMBERS OF
FIRST DEVONSHIRE MANAGEMENT COMPANY LIMITED

We have audited the accounts on pages 4 to 6 which have been prepared under the historical cost convention and the accounting policies set out on page 6.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As described on pages 1 and 2 the company's directors are responsible for the preparation of accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts and to report our opinion to you.

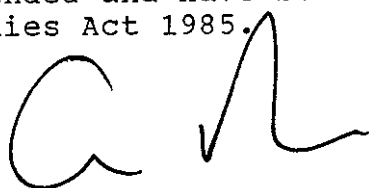
BASIS OF OPINION

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 accounts. It also includes an assessment of the significant estimates and judgements by the directors in the preparation of the 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 accounts 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 accounts.

OPINION

In our opinion the accounts give a true and fair view of the state of the company's affairs as at 31 December 1997 and of its surplus for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



CRIPPS DRANSFIELD
Chartered Accountants and Registered Auditor
206 Upper Richmond Road West
London SW14 8AH

2.6.98

FIRST DEVONSHIRE MANAGEMENT COMPANY LIMITED

A company limited by guarantee, not having a share capital

INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 1997

	<u>Notes</u>	<u>1997</u>	<u>1996</u>
TURNOVER	2	9397	7200
Administrative expenses		<u>7233</u>	<u>7846</u>
		2164	(646)
Interest receivable		<u>47</u>	<u>36</u>
Surplus (Deficit) before taxation	3	2211	(610)
Taxation	4	<u>10</u>	<u>9</u>
Surplus (Deficit) for the year		£2201 =====	£ (619) ===
MAINTENANCE FUND			
Maintenance Fund brought forward at 1 January 1997		947	1566
Surplus (Deficit) for the year		<u>2201</u>	<u>(619)</u>
Maintenance Fund carried forward at 31 December 1997		£3148 =====	£947 =====

The notes on page 6 form part of these accounts.

All the above income and expenditure were generated from continuing operations. There were no recognised gains or losses other than those above.

FIRST DEVONSHIRE MANAGEMENT COMPANY LIMITED

A company limited by guarantee, not having a share capital

BALANCE SHEET AS AT 31 DECEMBER 1997

	<u>Notes</u>	<u>1997</u>	<u>1996</u>
CURRENT ASSETS			
Debtors - maintenance charges due		3621	1853
Prepayments		1358	1295
Cash at Bank	5	<u>953</u>	<u>3328</u>
		5932	6476
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR			
Accruals		<u>2784</u>	<u>5529</u>
NET CURRENT ASSETS		<u>3148</u>	<u>947</u>
NET ASSETS		£3148 =====	£947 ===
CAPITAL AND RESERVES			
Maintenance fund		£3148 =====	£947 ===

These accounts were approved by the
Board of Directors of the Company on:

2nd June 1998

.....A. Taylor..... Director

A. TAYLOR

The Notes on page 6 form part of these accounts.

FIRST DEVONSHIRE MANAGEMENT COMPANY LIMITED

A company limited by guarantee, not having a share capital

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 1997

1. Accounting Convention

The accounts are prepared under the historic cost convention. The principal accounting policies of the company are set out below. The policies have remained unchanged during the year.

2. Turnover

Turnover is the total amount of service charges receivable by the company from the residents of Devonshire Court, Cavendish Road, Balham, London, SW12.

3. Directors' Emoluments

No directors' fees or emoluments were paid or are payable for the year.

4. Taxation

The company is a mutual trading company and is not liable to UK corporation tax on its surplus maintenance income. Taxation is provided on interest received.

5. Cash at Bank	<u>1997</u>	<u>1996</u>
Bank balance held at managing agent	<u>£953</u>	<u>£3328</u>

6. Capital and Reserves

The company is limited by guarantee and does not have a share capital.

7. Result for the year

The result for the year is stated after charging auditors remuneration of £587 (1996 - £587)

FIRST DEVONSHIRE MANAGEMENT COMPANY LIMITED

DETAILED INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 1997

	<u>1997</u>	<u>1996</u>
SERVICE CHARGES RECEIVABLE		
Estimated normal charge	7200	7200
Special charge re proposed staircase decorations	2197	-
Interest receivable	47	36
	<u>9444</u>	<u>7236</u>
DEDUCT : EXPENDITURE		
Cleaning contract	2040	2032
Electricity	223	330
Locks and keys	-	448
Companies House filing fee	15	15
Fence repairs and signs	112	15
Entryphone rental	560	540
Refuse	270	13
Repairs to gutters and pipes	335	-
External redecorations	-	134
Lighting repairs	-	106
Window and door repairs	123	56
Property insurance	999	985
Managing agents fee	1959	2024
Surveyors fees re cracks	-	311
Audit and accountancy	587	587
Search fee	10	-
Excess on water damage insurance claim	<u>-</u>	<u>250</u>
Total normal expenditure for the year	<u>7233</u>	<u>7846</u>
NET SURPLUS (DEFICIT)-1997 includes special charge for redecorations	£2211 =====	£ (610) ===

The above statement does not form part of the audited statutory

FIRST DEVONSHIRE MANAGEMENT COMPANY LIMITEDLESSEES ACCOUNTSFOR THE YEAR ENDED 31 DECEMBER 1997

	<u>Arrears B/f</u>	<u>Estimated Service Charge Due *</u>	<u>Received in year</u>	<u>Balance c/f at 31.12.97</u>
Flat 1	300.00	783.08	600.00	483.08
2	606.67	783.08	800.00	589.75
3	-	783.08	600.00	183.08
4	150.00	783.08	750.00	183.08
5	300.00	783.08	300.00	783.08
6	-	783.08	600.00	183.08
7	150.00	783.08	750.00	183.08
8	-	783.08	783.08	-
9	346.67	783.09	646.67	483.09
10	-	783.09	600.00	183.09
11	-	783.09	600.00	183.09
12	-	783.09	600.00	183.09
	<u>1853.34</u>	<u>9397.00</u>	<u>7629.75</u>	<u>3620.59</u>

*Normal charge	600.00
Special charge	183.08
(redecorations)	<u>783.08</u>